

Louis Allaire Molony.
 Sylvester Francis O'Day.
 David Michael Roberts.
 Stanley Sevier Warren.
 Robert Barker Williams.
 Ernest Brindley Dunlap.
 Daniel Brannen Edwards.
 James Vincent Falist.
 James Graham Flynn.
 John Tucker Halsell.
 Irving McNeill.
 Lee Whitmore Paul.
 Fred Allen Pittenger.
 Walter Leon Teaby.
 James Lyman Whitney.
 John Wesley Edwards.
 Theodore Bruce Beatty.
 William Thomas Belfield.
 Forest Alvin Black.
 John William Colbert.
 James Frank Corbett.
 James Beaty Eagleson.
 Herman William Goelitz.
 William Charles Heussy.
 Andrew Jackson Hosmer.
 Simeon Edward Josephi.
 Walter Kelton.
 Albert Edward Mackay.
 Kenneth Alexander James Mackenzie.
 Ray William Matson.
 William Porter Mills.
 Henry Joseph O'Brien.
 Brown Pusey.
 Alpha Eugene Rockey.
 John Osgood Rush.
 Austin Ulysses Simpson.
 Alan Welch Smith.
 George Flanders Wilson.
 Daniel Webster Fetterolf.
 Edgar Smith Linthicum.
 Reynolds Cornelius Mahaney.

POSTMASTERS.

NEW HAMPSHIRE.

William B. Gove, Antrim.
 Cyrus E. Varney, Newport.

NEW YORK.

John Maddock, jr., Larchmont.
 Wilmer D. Sharpe, Loomis.

OHIO.

Alva D. Alderman, Marietta.

HOUSE OF REPRESENTATIVES.

WEDNESDAY, June 14, 1911.

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Our Father in heaven, we thank Thee for our national ensign, a thing of beauty, which stands for law and order, liberty, justice, equal rights, peace and good will to all men; that it has become a national feature to celebrate in song and story its official birth and incomparable history in our public schools, by patriotic societies, and the people in general. Grant, O God, that the ideals which it represents may more and more obtain; that it may float on in peace over a happy, prosperous, God-loving people forever. In the name of the Prince of Peace. Amen.

The Journal of the proceedings of yesterday was read and approved.

CALENDAR WEDNESDAY.

The SPEAKER. This is Calendar Wednesday.

Mr. UNDERWOOD. Mr. Speaker, I move that the proceedings under Calendar Wednesday be dispensed with for to-day.

The SPEAKER. The gentleman from Alabama moves that the proceedings under Calendar Wednesday be dispensed with.

The question being taken, and, two-thirds voting in the affirmative, the motion was agreed to.

THE WOOL SCHEDULE.

Mr. UNDERWOOD. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the

state of the Union for the further consideration of the bill (H. R. 11019) to reduce the duties on wool and manufactures of wool.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 11019) to reduce the duties on wool and manufactures of wool, with Mr. HAY in the chair.

Mr. UNDERWOOD. Mr. Speaker, I yield two minutes to the gentleman from Kentucky [Mr. HELM].

Mr. HELM. Mr. Chairman, on yesterday, when the gentleman from Pennsylvania [Mr. DALZELL] was addressing the House, he made a characterization of myself that I do not think I should permit to pass unnoticed. I shall not undertake to reply to the gentleman in kind, preferring to follow the manner of gentle breeding rather than that of the coarse and rough.

During the course of his remarks he had, to his apparent satisfaction, successfully established the error of the statement of the leader of the Democratic Party in his opening statement with reference to the bill under discussion regarding the present condition of the Treasury, and was proceeding to show how the Treasury of the United States was bulging and plethoric, and at that time I ventured to inquire whether or not the work on the Panama Canal having progressed since 1902, and all the expenses incident thereto having been borne by the current revenues of the Treasury, that it occurred to me that if the Treasury was in the wholesome and healthy condition that it had been since the inauguration of that work, it was unnecessary to issue the fifty millions of 3 per cent bonds that are now being advertised for sale, carrying an annual interest burden of \$1,500,000 to be added to the present \$21,000,000 annual interest account we are now carrying; that if the Treasury had been able to carry this expense of over \$200,000,000 without the issue of bonds, I questioned the wisdom of issuing bonds at present to refund to the Treasury the amount of money that had been expended heretofore in the construction of the canal, notwithstanding the fact that the right to issue such bonds had existed since August, 1909. It struck me as a little strange that if the Treasury is in the condition described by him at this very particular time it was necessary for the Secretary of the Treasury to issue these bonds now. That statement he characterized as ignorant, and coming from an intelligence so ignorant as not to be worthy of an answer, and immediately, with much show of feeling, refused to yield further in order that I might reply to him and have been compelled to wait until this time to do so.

And yet I fail to see, Mr. Chairman, where his characterization applies; and for myself, having made this statement, I am willing for that accusation to rest upon the person who should bear such a characterization, and I leave it to the RECORD to show whether the gentleman merits his own characterization, or whether I deserve it. [Applause on the Democratic side.]

Mr. PAYNE. Mr. Chairman, I wish to call attention to the fact that the gentleman from Pennsylvania [Mr. DALZELL] was not in his seat this morning during the remarks of the gentleman from Kentucky.

I now yield one hour to the gentleman from Wisconsin [Mr. BERGER].

Mr. BERGER. Mr. Chairman, it is hardly necessary for me to explain how highly I appreciate the honor of being a member of this House.

There is probably no other legislative body in the world in which there are so many earnest, bright, and interesting men. However, you interpret things as you see them, and you see them from the point of view of your class—the capitalist class.

The first question you naturally ask of any new Member is, What is your message?

Now, Mr. Chairman, I have a message to deliver from the most advanced and intelligent section of the toiling masses—from millions of men and women.

If you will bear with me in patience for an hour I shall try to deliver a part of that message to the best of my ability.

I am told that oratory counts for little or nothing in this House—that you want facts. I am very glad of that, because I hope to convince you within 5 minutes that I am not an orator, and within 10 minutes that I have some facts.

Now, gentlemen, I just ask you kindly to overlook my Milwaukee accent, but to overlook nothing else. [Laughter.]

Some of the gentlemen here have repeated the old threadbare fallacy that the high tariff is to protect labor.

Now, I want it understood that there is no such thing as protection to labor in any tariff bill. I want to say this in the name of the many millions of enlightened workingmen in this country, and in all other civilized countries, who think for themselves.

Moreover, gentlemen, you are not in the habit of making laws for the protection of labor. [Applause on the Democratic side.]

You are continually making laws for the protection of life and property—for the protection of the lives of those who own the property, and for the protection of the property they own. You are continually making laws for manufacturers, bankers, and merchants.

But the workingman who has no other property than his labor gets scant protection, indeed.

If he wants to be protected, he must commit a crime; he must steal or get drunk and disturb the peace or become a tramp. Then the law gets hold of him and gives him protection. Then he gets the protection of the jail or the penitentiary.

As long as he is well and decent the law does not protect him. The high tariff does not protect him.

What is the philosophy of the tariff?

The history of the protective tariff is the same in every country.

Agricultural countries subsidize manufacturers for the purpose of creating industries.

In the seventeenth and eighteenth centuries England became the foremost manufacturing country of the world. Germany, which before had supplied the world with manufactured goods, had been thrown back in civilization and culture by the horrors of the religious wars incident to the Reformation.

England bought the raw material of the world and sold the manufactured product. In order to build up industries in their own countries the European rulers tried to protect their manufacturers against the importation of English goods by putting up a high tariff.

The history of the American tariff is very much the same. The tariff reaches back to the days of Alexander Hamilton and is based upon the same idea.

It simply meant subsidizing the manufacturers so as to build up industries. It meant that the Nation was paying the manufacturer a bonus for investing his money in manufacturing.

The result in every country has been the same.

The high tariff at first stimulated competition. Everybody who had any money or any business talent went into the manufacturing business.

That tendency, of course, cut down the profits. It culminated in this country about 1892, when one of those periodical crises which are a part of our industrial system set in.

The result was natural enough. No matter whether we have a high tariff or free trade, competition has a tendency to weed out the economically weaker concerns.

That process of weeding out is mightily stimulated by these industrial crises, a matter to which I shall refer again later.

The process of weeding out went merrily on in this country. Toward the end of the last century a number of the remaining big firms found it more profitable to unite than to continue the fight.

There you have the origin of trusts.

It is not fair to ascribe the origin of trusts entirely, or even mainly, to the high tariff.

The high tariff is responsible for the trusts only as it stimulates competition, and inasmuch as it subsidizes the manufacturers.

But the outcome of competition is always the same. Competition always kills competition in the end. We find trusts in high-tariff America and in free-trade England. We find trusts in Germany and even in little Holland. As a matter of fact, every flourishing industry winds up in a trust.

I can go still further. I will say that in every manufacturing country the manufacturers at first demand protection and get it.

They want protection in order to conquer the home market—the market in their own country. They demand it as a matter of patriotism. Business men are always patriotic when there is profit in sight. [Laughter.]

But the business man, after he has gained control of the home market and reaches out for the profits in other countries, changes from the patriot to the cosmopolite.

Mr. MOORE of Pennsylvania. Mr. Chairman, will the gentleman yield there?

Mr. BERGER. No; I shall ask the gentleman to wait until I have developed my theme, and then I shall be very glad to answer all questions. I am here to answer questions for the next year and a half. [Laughter.]

The business man suddenly finds that the high tariff—the same high tariff which has helped him to control the home market—is a chain on his legs when he wants to conquer the world market. Therefore he is willing to drop the tariff.

This is the case with the highly protected iron industry. The leading spirits in that industry are just about ready to drop the high tariff not only for iron, but for everything else.

Thus, the New York Sun of Thursday, June 8, says:

Possibly this country might continue to keep out of the poorhouse, grow wool, and make clothes, even if they have not the heaven-born tariff to consecrate every sheep and every manufacturer.

Considering that the New York Sun is supposed to be Pierpont Morgan's mouthpiece and the organ of standpattism in industry, this is rather a frank admission.

Moreover, no lesser authority than Mr. Carnegie has declared that we are ready for a reduction of duties in the iron industry.

I am not, however, concerned with the manufacturers' side of this question. The manufacturers are well able to take care of themselves, and they are exceedingly well represented in this House. [Laughter.]

What I want to bring out is that it never was intended that the high tariff should protect the workingman. That pretense was simply an afterthought, because the workingmen have votes. [Laughter on the Democratic side.] Only American manufacturers have dared to tell this falsehood to their workingmen. Why? Because until very recent years American workingmen were more ignorant on economic and social questions than their brothers in Germany or France.

The highly protected manufacturers of Germany never dared tell their workingmen that the tariff was there to protect the workingman. The protected manufacturers of France never dared tell their workingmen that the tariff protected them.

It was only in this country, after the infant industries had become giants, that some of our Pennsylvania politicians conceived the idea of claiming that the high tariff was here to protect the workingman.

But this issue shows plainly the paramount influence of our manufacturers and traders in political affairs, even though every workingman in America has a vote. The manufacturers palm off their private issues as national issues.

It is the manufacturers who want protection; it is the commercial men, and mainly the importers, who want free trade.

The manufacturers, as I said before, pretend that protection benefits the working classes.

But that this claim is a mere sham is evident from the fact that they have never proposed to discourage the immigration of foreign workingmen; that, on the contrary, they have always done all they could to encourage foreign laborers to come over; that they have even sent agents to Europe to coax laborers by false pretenses.

There can be no doubt that wages are better here than in European countries, but the causes of this fact have little or nothing to do with the tariff.

The workman in highly protected Germany has somewhat the advantage, in wages and hours, over the workman in highly protected France. The workman in free-trade England has a shade the advantage over the workman in highly protected Germany.

It can not be shown that the tariff has any general effect upon wages.

Higher wages in the United States are due to a number of highly complex factors.

There is, first, the higher efficiency of the American workman, as the gentleman from New York [Mr. REDFIELD] pointed out in his interesting speech day before yesterday. There is, next, the more perfected machinery upon which he works. There is also the advanced development of trades unionism. There is, furthermore, the fact that, until recently, large tracts of public land served constantly to draw off some part of the competing laborers of the towns and cities to the country.

Finally, there is the fact that the economic system, as a whole, has never settled down in America into the hard and fast groove in which it runs in Europe.

Indeed, that system in America still retains something of the elasticity of colonial times.

Since the great strike in Pittsburgh in 1892—which ended with the battle on the Monongahela—the claim that the high tariff protects the workingman has become more rare. I should not advise the gentleman from Pennsylvania or any other gentleman to make such a claim before an audience of workingmen of Pittsburgh, Chicago, or Milwaukee when there is a strike on for living wages in some branch of the iron industry.

While the products of our factories are highly protected, sometimes as highly as 200 per cent, the producers of these products are not protected at all. On the contrary, during the last 20 years Slavonians, Italians, Greeks, Russians, and Armenians have been brought into this country by the million. Simply because they have a lower standard of living they have crowded out the Americans, Germans, Englishmen, and Irish-

men from the workshops, factories, and mines of our highly protected industries.

And in the steel mills of Pittsburg, Chicago, and Milwaukee, where 30 years ago the so-called princes of labor used to get from \$10 to \$15 a day, the modern white coolies get \$1.75 for 12 hours a day, seven days in the week—having no time to praise the Lord, and no reason either. [Laughter.]

As for the manufacturers of woolen goods, Bulletin 57 of the Census Bureau, which gives the figures on manufactures for 1905, shows (p. 93) that 44,452 youths and men, 24,552 girls and women, and 3,743 children under 16 employed in the manufacture of woolen goods receive a yearly average of \$396 and a weekly average of \$7.61.

The same bulletin shows that 29,883 youths and men, 32,130 girls and women, and 7,238 children under 16 employed in the manufacture of worsted goods receive a yearly average of \$379 and a weekly average of \$7.30.

According to social workers who have made a study of family budgets, the minimum requirement in the United States for a decent living for a family consisting of father, mother, and three small children is \$750 a year. I believe that estimate is much too low, and that none of the gentlemen in this House would want to live on it. However, the average wages in these two highly protected industries are but little more than half this sum.

It is true that this average takes in the wages of children and youths. But, on the other hand, it also takes in the wages of the highly skilled mechanics and of foremen. It is therefore a fair average; and it shows a wage entirely inadequate to support a decent standard of living.

As for me, I am against all tariffs—high tariffs or low tariffs—and against low tariffs as a proposition to raise revenue.

Every tariff, high or low, means that it hits the poor man worst. So long as a tax is placed on the necessities of life, it will fall upon the poor man much more heavily than upon the rich man. [Applause.]

To begin with, it is the poor people who, as a rule, have many children. The tax on shoes will strike a poor sewer digger who has six children six times as hard as it will the millionaire, who has one child. Moreover, the digger can afford it 1,000 times less. [Applause.]

Every tariff puts the burden upon the people who can afford it least. Every tariff means that the wealthy people are not willing to pay their share of taxes and that they want the poor people to pay it for them. It means that these taxes go to the manufacturer.

This is all any tariff means.

It is in all cases an inheritance of the Middle Ages—the Dark Ages—when the privileged classes did not pay any taxes and the common people had to pay them all.

The only just tax is an income tax [applause] which is graduated to such a degree that it will establish some fairness as to the intensity with which it is felt by the poor people as compared with the rich.

I do not want to be understood to imply that the working class is benefited by free trade of itself. Free trade is no panacea. Free trade would mean that a great deal of our manufacturing would be done across the sea—particularly all of the manufacturing that has not yet reached the trust stage. [Applause on the Republican side.]

Moreover, the working class can not endure any sudden lowering of tariffs. It is helpless to protect itself from the consequences.

Especially in our country, after many years of the highest kind of a high tariff, any sudden change would be disastrous, and that is where the gentleman from Alabama [Mr. UNDERWOOD] was wise. [Applause on the Democratic side.]

There are whole communities built up on a tariff schedule on some manufactured commodity. A radical and sudden lowering of the tariff on any of those products would, of course, unsettle conditions, close workshops, and deprive thousands of wage earners of their jobs. And since under our planless system of production no provision whatever is made for the displaced workers, the result would be widespread disaster and misery. [Applause on the Republican side.] When society is willing to undertake the transfer of displaced workers from a dying industry to a flourishing one we can then welcome any radical change in the tariff that seems best for the Nation as a whole.

Labor does not need the so-called protection of tariffs. It does need, however, protection against sudden changes for the worse in economic conditions. And in so far as it has had any protection it has protected itself by forming trade unions. It has protected itself by strikes and boycotts, which have been declared by the Supreme Court of the United States to be illegal.

But, illegal or not, I hope labor will continue to use them in order to resist the forcing down of the standard of the bulk of our population to a Chinese level. [Applause.] For in many respects we have been coming down continually. [Applause.]

Before this, the capitalist era, common workingmen in England could live a whole week on the earnings of four days.

Now, in Pennsylvania and elsewhere, common laborers can scarcely live a week on the earnings of seven days of excessive toil.

Mr. STANLEY. Mr. Chairman, will the gentleman yield?

Mr. BERGER. Mr. Chairman, this is the first time that the socialists' view on the tariff has ever been heard in this House, and if the gentleman will kindly give me a chance to get through with my statement, I shall be very glad to answer any questions that he may wish to ask, and I have no doubt that he will be able to ask them with much more profundity than now. [Laughter and applause.]

There is always free trade in labor.

Under the present system, which we call in political economy the capitalist system, the workingman's labor has become a mere ware in the market. And since the man's labor can not be separated from the man, the workingman himself has become a commodity, whose time is bought and sold. The workingman, or rather his labor power, is subject to the same conditions as every other ware, especially to the conditions of supply and demand and to competition.

The workingman's labor, or rather his time, is bought now in the open market by the highest bidder on the one hand from the lowest seller on the other.

And the employers, that is, the master class, care only to buy the workingman's time when he is young, strong, and healthy. When he is sick or when he gets old the employer has no use for him.

The employer is not in business for the sake of charity. He is in business in order to make profits—to make money.

And because of this we see that our so-called free workers are sometimes worse off—from the purely economic point of view—than the blacks were under slavery before the war.

The negro was property and represented about \$1,000 in value—sometimes more, sometimes less. He was property which his master owned. Therefore the master, if he had any sense, took good care of his human chattel. The master was eager to have the slave as long and in as good condition as possible. When the slave became sick or when he died the master lost money.

The case is entirely different with the white workingman, the so-called free workingman. When the white man is sick or when he dies the employer usually loses nothing.

And high tariff, or tariff for revenue only, or free trade, like "the flowers that bloom in the spring, have nothing to do with the case." [Laughter.]

The fact is that the capitalist, the average employer to-day, is more concerned about a valuable horse, about a fine dog, about a good automobile, than he is about his employee or about his employee's family.

In most cases the employment is absolutely impersonal. The employer does not know his employee by name, or even by number. This is invariably the case with a stock company where the shareholders are scattered all over a city, a State, or all over the country; sometimes over Europe.

Nor can any individual capitalist or employer, no matter how charitably inclined he may be, change anything in these conditions. A business or corporation that should try to run its plant on a charity basis would not last long.

As a matter of fact, under the present system it is usually the worst employer who sets the pace. The employer who can fleece and skin his workingmen best is best equipped for the fight in the open market. He can produce his goods the cheapest.

Thus competition has come to have a fearful meaning to the working class.

On the one hand, it compels the employers to get their labor as cheaply as possible; on the other hand, it compels the workingmen to compete with one another for jobs.

Competition among the workers has become, therefore, a cutthroat competition. It is a question as to who is to live and who is to starve. It is often a question as to whether a man is to stay with his family or become a tramp.

And the tariff has nothing to do with that question, either.

There is always free trade in labor.

In many cases now the laborer is compelled to disrupt his family and send his wife and children to the shop or factory.

For this is the greatest curse of machinery—or, rather, the individual monopoly of machinery—that capital can be coined out of women and even out of infancy. Thus, not alone

are men turned into wares, governed by demand and supply, but they are also made to scramble for a precarious living with their wives, sisters, and children.

In the cotton factories of the South, from where my Democratic free-trade friends come, the women and children compose two-thirds of the working force. Very similar are the conditions in our large cigar and tobacco factories and in the workshops of many other industries.

Laws against this sort of thing are almost useless as long as the present economic system prevails.

For while it is notorious that the wages thus earned by a whole family do not on an average exceed those of the head of the family in occupations where it has not become habitual to employ women and children, the abuse is still daily gaining ground.

And the reason is very simple. Women and children do not go into the factory for the fun of it; they are brought there by dire necessity, by competition. And it is competition, too, that compels the little children of the southern poor white people to go to the cotton factory and offer their young lives to be turned into dollars. Here are the figures of children from 10 to 15 years of age, inclusive, employed in 1900 in 11 Southern States, with the percentage of the total number of children of that age period:

States.	Males.	Per cent of total.	Females.	Per cent of total.
Virginia.....	44,651	33.7	11,094	8.5
West Virginia.....	22,343	33	2,451	3.9
North Carolina.....	77,986	55.1	32,421	23.5
South Carolina.....	56,363	53.8	38,917	38.3
Georgia.....	77,462	46.7	36,502	22.6
Kentucky.....	53,676	35.4	7,441	5.1
Tennessee.....	63,711	43.2	12,651	8.9
Alabama.....	80,989	59	41,664	31.3
Mississippi.....	63,906	53.8	34,103	29.7
Louisiana.....	39,620	39.4	21,427	21.6
Arkansas.....	49,747	50.1	15,321	15.8

Nor are conditions in most of the Northern States much better.

With a system like this it is only natural that the rich should become richer and the poor poorer.

Free competition imposes no restraint upon the powerful. They are at liberty to exploit the poor workman to their hearts' content.

And another thing: The strength on the capitalist side is so great, and the capacity for resistance on the side of the workmen is so insignificant, that there is actually no freedom of contract. The monopoly of the tools has made the employers a class of autocrats and the laborers a class of dependents—of hirelings. The laborer is simply a hired appendage to the machine.

The machine has come to be the main thing, the costly thing. The living appendage, the laborer, can be gotten without much trouble or cost. Nowadays, if an owner of tools does not want to let a workman work, the latter has no means of subsistence unless he finds some other "lord of production" who will permit him to produce something.

And so this system now creates the dependence of the thousands upon the few.

It is a paltry evasion of our capitalists to say that the workers are free to accept or to refuse the terms of their employers. The laborers have to consent. If they refuse the terms, there are plenty of others, hungry, starved, and desperate, ready to take their places. But suppose it were possible that the employer could not get other men to take the places of those who refused the terms offered—and, pray, do not for a moment think that this could actually be the case—the employer could stand it; he would merely stop business for the time being. And do not imagine for one instant that he would suffer privation by so doing. His home would be just as radiant with luxuries as ever, and he would probably try to endure life by a trip to some foreign country.

Now, another important consideration:

Since the working people do not receive the full value of their products—because a considerable profit is made by the employing class on everything the workers produce—can they be expected to buy back these products? Their numerical strength makes them the chief consumers of the country and those on whom production mainly depends.

In this way, by the laboring people not being able to consume enough, and by the planless way in which production is carried on in general, the so-called overproduction is created.

Of course, no matter how much or how little the toilers of a nation create, they always create more than they are able to

buy with their wages, because they have never received the full value of that production.

In this way the so-called industrial crises originate. They have come upon us about once in every 20 years, roughly speaking, since capitalist production began its sway. At such times the trade and the manufacturing of a nation come to a standstill, because "there is too much on hand."

And the working people have to stop work and go ragged and hungry because there is too much on hand.

Statesmen, newspapers, lawyers, and so-called reformers on such occasions claim that it is either too much silver or too little silver, or lack of confidence, or what not, that is the cause of the industrial crisis, or panic, as it is sometimes called.

But hard times are really hard only on those whose subsistence depends on their having work to do.

For the poor people the times are always hard.

During "hard times" the wives and daughters of the capitalists, however, do not leave off attending balls, parties, and operas, in their silks and diamonds.

On the contrary, if the times are very hard, the wealthy and charitable people simply arrange one more amusement and call it a "charity ball."

As far as security of work is concerned, the workman of the present time is worse off than any of his predecessors in history. In fact, the irregularity of his employment, the frequency with which he is out of work, is the most alarming feature of the workingman's condition. The toiler of to-day can not work when he wants to, or when he ought to, in order to support himself and family. He can work only when it is to the profit of the employer that he should do so.

How all this came about—well, it is simply a matter of industrial evolution.

In the Middle Ages, before capitalist production had come upon the stage of events, a system of small industries prevailed, and, in some few cases, has continued to the present day.

This system rested on the private ownership by the workman himself of the means of production. The instruments of labor were then paltry, dwarfish, and cheap; and for that very reason, as a rule, they belonged to the producers themselves. Since the fifteenth century, and especially since the power of steam was utilized, these limited implements of production have been gradually enlarged, united, and improved, until the common tool of the Middle Ages, and even some of the instruments that were common 50 years ago and later, have been transformed into the machines of to-day.

In place of the hand loom, the spinning wheel, and the smith's hammer there appeared the mechanical loom, the spinning machine, and the steam hammer. Instead of the single workshop there appeared the factory that combines the united labor of hundreds and of thousands. At the same time production was transformed from a series of isolated—individual—acts into a series of social and combined acts.

The yarn, the cloth, the metal articles which now come out of the factory are the joint product of the many people through whose hands they had to go successively before being ready.

No single person can say of them: "This I have made." Yet these social tools and social products are treated in the same way as they were at the time when the tool was an individual tool and when the product was created by the individual. So the present new mode of production remains subject to the old form of appropriation, although the new form of production does away with the very conditions on which the old form was based. In times of old the owner of the simple tool appropriated or took for his own use his own product, while now—and it is important to grasp this fact fully—the owner of the tool, of the machine, appropriates the work of others. He appropriates this work without a jury and without a verdict.

And so we see plainly that the private ownership of the means of production, which was formerly the means of securing the product to the producer, has now become the means of exploitation, and, consequently, of servitude.

The development of the tool into the machine separates the workman from his product. In this way a comparatively small number of capitalists obtain a monopoly of the means of production.

We are often inclined to deprecate the resistance of the workmen to the introduction of machinery.

But these victories of the human intellect over the forces of nature which naturally should be a benefit to all—an unlimited source of blessing to the human race—have often become a means of torture to the toilers.

How many wage earners has the introduction of machinery thrown out of employment? How many lives have thereby been destroyed?

All the advantage of all the new inventions, machines, and improvements now goes mainly to the small class of capitalists; while on the other hand these new inventions, machines, improvements, and labor devices displace human labor and steadily increase the army of the unemployed, who, starved and frantic, are ever ready to take the places of those who have work, thereby still further depressing the labor market.

It is from this army that the capitalist class recruit their special police, their deputy sheriffs, their Pinkerton detectives, and some of their minor politicians.

And the wageworkers are by no means the only sufferers. The small employers, the small merchants, are also feeling the sting of an unequal competition.

For every one of these men of business lives at war with all his brethren. The hand of the one is against the other, and no foe is more terrible to him than the one who is running a neck race with him every day.

Therefore, in the factory as well as in the store, the wages must be cut constantly, and the sales must be ever enlarged. The latest improvements, the best labor-saving machinery, must be used and as little wages must be paid as possible. The race is for life or death and "the devil gets the hindmost."

The fierce competition lessens the profit on each article, and this must be compensated for by a greater number of articles being produced and sold; that is, the cheaper the goods the more capital is required to carry on the business.

Precisely, then, for the same reason that the mechanic with his own shop and working on his own account has nearly disappeared in the struggle between hand work and machine work—for precisely the same reason the small manufacturers, with their little machinery, their small capital, and their little stock of goods, are now being driven from the field.

And the same is the case with the little store that must compete with the department store or the mail-order house.

It is that class that is yelling most loudly against the corporations, the railroads, and the trusts.

It is that class that wants the Sherman law to be made "more effective." It is that class that would like to turn the wheel of economic evolution backwards.

We can not destroy the trusts without destroying our civilization.

Moreover, we do not want to destroy them. The trusts bring some system into the industrial chaos. They are the forerunners of a new social order. They have put the first effective check upon the disastrous evils of competition.

While competition grows more intense among the workers looking for jobs, and while it still prevails among the small traders and small manufacturers, the trusts have abolished competition in the realm of "big business."

The trusts are undoubtedly a milestone in the industrial evolution of the race. The trusts spell progress and are a tremendous benefit. So far, however, they are mainly a benefit to their owners.

What we must do, therefore, is to extend the benefits of this ownership to the entire Nation.

The national ownership of the trusts must be our next great step in evolution. The Sherman law ought to be repealed and a law enacted to nationalize every industry where the output and the prices are controlled by a trust or a privately owned monopoly.

On the other hand, it is the trusts which by their very magnitude have made the viciousness of the capitalist system clear to everyone.

We see that the purely individualist theory of private ownership of "property"—which our competitive wage system has made the foundation of society—has resulted in practically abolishing the possibility of private ownership for the great majority of the people.

One-tenth of our population already owns more than four-fifths of the wealth. The centralization of the control of property is increasing with a rapidity that threatens the integrity of the Nation. The average of wages, the certainty of employment, the social privileges and independence of the wage-earning and agricultural population, when compared with the increase of the wealth and social production, are steadily and rapidly decreasing.

And the very worst of the social temptations is that wealth has become the greatest, one might say the only, social power. All human worth is estimated in terms of wealth—in dollars and cents.

Things can not go on like this indefinitely. White men will not always stand it. We are by our present circumstances and consequences creating a race of "white people" in our midst, compared with which the vandals of the fourth century were a humane nation.

Within a short time, with present tendencies unchecked, we shall have two nations in this country, both of native growth. One will be very large in number, semicivilized, half starved, and degenerated through misery; the other will be small in number, overfed, overcivilized, and degenerated through luxury.

What will be the outcome?

Some day there will be a volcanic eruption. A fearful retribution will be enacted on the capitalistic class as a class, and the innocent will suffer with the guilty.

Such a revolution would throw humanity back into semi-barbarism and cause even a temporary retrogression of civilization.

Various remedies have been proposed. Single tax, more silver dollars, greenbacks, and a dozen other remedies have been offered. But since none of them does away with the deadly effects of competition, and with the effect of the machine on the workman, I must dismiss them as insufficient. This is particularly the case with the single tax, which would simply for a time sharpen competition and thus increase the misery of the working class.

The other day we listened to a fervid plea for the single tax delivered on this floor by the gentleman from New York [Mr. GEORGE]. He gave particular attention to the introduction of this system in Vancouver, British Columbia, and painted in glowing colors the blessings that had followed it. And now comes the distressing news that Vancouver is in the midst of a general strike, the first of its kind in that city, involving every organized workman there. Evidently the single tax is not a substitute for bread and butter. [Laughter.]

But this is what the Socialists say:

The machinery and all the progress in implements of production we can not and do not want to destroy. Civilization does not want to go back to the Middle Ages or be reduced to barbarism.

And as long as these implements of production—land, machinery, raw materials, railroads, and telegraphs—remain private property, only comparatively few can be the sole owners and masters thereof. As long as such is the case these few will naturally use this private ownership for their own private advantage.

The highest industrial order which competitive individualism has given us, and can give us, is that of capitalist and wage earner.

A capitalist and wage-earner order of society inevitably ends in the economic rule of a comparatively few absolute masters over a numerous socially subject class.

The wage system was a step in the evolution of freedom, but only a step. Without trade-unionism and labor associations the wage system would produce a social state lower than that of feudalism.

There can be no social freedom nor complete justice until there are no more hirelings in the world; until all become both the employers and the employed of society.

This social freedom, this complete justice, can be accomplished only by the collective ownership and democratic management of the social means of production and distribution.

I realize that all this can not be brought about by a single stroke—by a one-day's revolution. But I know that all legislation in order to be really progressive and wholesome must move in that direction.

Legislation that does not tend to an increased measure of control on the part of society as a whole is not in line with the trend of economic evolution and can not last.

Legislation that interferes with the natural evolution of industry means the taking of backward steps and can not succeed.

Legislation that divides nations into armed camps, that creates useless navies, that puts up Chinese walls between peoples eager to trade with one another, is reactionary and can not endure.

The measure now under discussion is of small immediate concern to the working class. In itself it means no material change in the conditions of the working man or working woman. But because it is in line with social and political evolution, because it tends to destroy the old tariff superstition, because it tends to break down the barriers between nations and to bring into closer relations the various peoples of the world I shall support the bill. [Applause.]

Mr. KAHN. Mr. Chairman, will the gentleman yield for a question?

Mr. BERGER. Certainly. How much time have I, Mr. Chairman?

The CHAIRMAN. The gentleman has 10 minutes remaining. Mr. BERGER. Then I shall be glad to answer questions for 10 minutes.

Mr. KAHN. Did I understand the gentleman to say that the workmen in this country are worse-off than at any time in the history of the world?

Mr. BERGER. I did not say anything of the kind. I said that the certainty of employment is smaller under the capitalist system than under any previous system.

Mr. KAHN. I understood the gentleman to say—

Mr. BERGER. Oh, no. The gentleman probably was not here from the beginning of my remarks. The wages are better in this country than in any other country in the world. I said that at the very beginning of my remarks, and explained why.

Mr. KAHN. Because I know in my own city of San Francisco the savings banks have deposits of \$159,000,000, which are the savings of the working people of that community.

Mr. BERGER. Yes; and I know that you have had more strikes and more hell in San Francisco than in any other city I know of except Chicago. [Laughter and applause.]

Mr. KAHN. Strikes?

Mr. BERGER. Yes; more labor troubles.

Mr. KAHN. San Francisco is to-day the best organized labor community in this country, and the workmen there have had strikes only to the same extent as they have had them in any other section.

Mr. BERGER. And a few more.

Mr. KAHN. But they have been uniformly victorious, and at the present time we are getting along splendidly. We have not had any serious strikes for about three years.

Mr. BERGER. Mr. Chairman, let me predict something. I have been in the labor and socialist movement for 27 years. The conditions in San Francisco, which the gentleman from California paints in such glowing colors, are the result of a quasi alliance between "big business" and a certain trade-union element, an alliance for which I would never stand. Let us see where this is going to lead to. It so far has brought more corruption than was ever known in any other city of the United States.

Mr. KAHN. The alleged corruption was under a former labor-union administration—

Mr. BERGER. I am not speaking about the labor unions. I am speaking about "big business" using the labor union as a political tool. [Applause.]

Mr. GEORGE. Mr. Chairman—

The CHAIRMAN. Does the gentleman from Wisconsin yield to the gentleman from New York?

Mr. BERGER. I do. [Applause.]

Mr. GEORGE. Mr. Chairman, I did not quite understand the gentleman's allusion to me and to Vancouver and to the strike in Vancouver.

Mr. BERGER. If the gentleman will permit, I will read to you so that you can formulate your question just right. I said:

The other day we listened to a fervid plea for the single tax, delivered on this floor by the gentleman from New York [Mr. GEORGE]. He paid particular attention to the introduction of this system in Vancouver, British Columbia, and painted in glowing colors the blessings that had followed it. And now comes the distressing news that Vancouver is in the midst of a general strike, the first of its kind in that city, involving every organized workman there. Evidently the single tax is not a substitute for bread and butter.

Mr. GEORGE. The single tax is a taxation question. I would like to understand—does the gentleman connect me up with that strike?

Mr. BERGER. Oh, no. [Laughter.] Whatever I may say about his theories, the gentleman from New York is innocent. The gentleman has nothing to do with that strike. I did not mean to say anything about it, but I wanted to show that the single tax does not improve labor conditions. It does not. Strikes are just as frequent in single-tax cities as in cities where they do not have the single tax. That is what I wanted to bring out.

Mr. GEORGE. I thank the gentleman. I feel very greatly enlightened.

Mr. STANLEY. Will the gentleman yield for a question?

Mr. BERGER. Yes.

Mr. STANLEY. If I understood the gentleman, he said he was not opposed to the organization of trusts. Is that correct?

Mr. BERGER. I am not opposed to the organization of trusts any more than I am opposed to the Atlantic Ocean or to the Mississippi River, or, let us say, to anything that is a natural outcome of conditions. I explained that the trusts are the natural result of industrial evolution, and anything that is the natural outcome of an industrial development I am not opposed to.

Mr. STANLEY. That is, that it follows inevitably?

Mr. BERGER. That it follows inevitably.

Mr. STANLEY. Now, I want to ask the gentleman this: Does the gentleman favor the fixing of the price of commodities,

of these immense organizations engaged in interstate trade, by the Government?

Mr. BERGER. Mr. Chairman, I favor it as a first step. It is only primary. I understand Mr. Gary of the Steel Trust is in favor of that.

Mr. STANLEY. I understand so.

Mr. BERGER. And for the first time in my life Mr. Gary and I agree on anything. But I will also say it will not help much. It proves, though, that even the trust concedes that it has grown to such dimensions that it has become a quasi-public utility and that it is no longer a private business. The only solution, however, is the national ownership of the trusts.

Mr. STANLEY. As I understand the gentleman, he speaks of the trusts as a milestone in industrial evolution.

Mr. BERGER. Yes, sir.

Mr. STANLEY. In other words, the centralization of the immense wealth and energy of the steel business, for instance, in the hands at last of one man, and the centralization of the manufacture of wool in the hands of one man, and the manufacture of other textiles, like cotton, in the hands of one man, and the refining of sugar in the hands of one man—

Mr. BERGER. One concern.

Mr. STANLEY. I should say one person, whether corporate or individual—that this will in a short time place the body of the wealth of this country and the employment of all the labor in this country in the hands of a few persons, whether corporate or individual, and then the Government, as you say, should fix the price of the commodities of these great concerns, and it will be but a step from that until, instead of allowing them with the price fixed by the Government to operate for the benefit of a few individuals, they will be forced to operate for the benefit of all men?

Mr. BERGER. Yes, sir.

Mr. STANLEY. And that will be the easy step from the Government control as advocated by Judge Gary to Socialism as advocated by yourself?

Mr. BERGER. That will be a very natural step.

Mr. STANLEY. And an inevitable one.

Mr. BERGER. Nobody can regulate another man's business. I would hate to regulate your property. The regulation of other people's property is always a dubious thing to undertake. The trust, however, is willing to part with some of its rights of ownership. If I have a right to say how much you shall get for your horse, I have a share in that horse. As long as I can decide for how much you may sell your house, I have a share in that house. And as long as I can fix a price for a coat, I practically share in the ownership of that coat. Now that the trust offers an opportunity of ownership to the Government, the Government ought to accept. Complete ownership, however, is the final solution.

Mr. STANLEY. As I understand you, there is little difference between the position you take and the position taken, for instance, by the United States Steel Corporation, in this, that competition is a bad thing?

Mr. BERGER. It was not a bad thing in its day. In "big business" it is played out; it does not exist. It was a good thing as long as economic conditions required it.

Mr. STANLEY. You spoke in your address of the evils of competition and the bad effects of it—

Mr. BERGER. Yes, sir.

Mr. STANLEY. And suppose that these great industrial institutions, like the United States Steel Corporation, for instance, believe in abolishing competition and fixing the price by agreement or by law, the only difference between the trusts and the Socialists is that the trusts believe in having the Government run their business for the benefit of the persons who own them and you believe in having them run these great organizations for the benefit of all the people?

Mr. BERGER. Yes, sir.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. FOWLER. I ask that his time be extended.

Mr. CANNON. I would like to ask what are the views of the gentleman from Kentucky [Mr. STANLEY] as to Government ownership?

The CHAIRMAN. The time of the gentleman from Wisconsin [Mr. BERGER] has expired.

Mr. STANLEY. I ask permission to reply to the gentleman from Illinois, if I can hear him.

Mr. PAYNE. Mr. Chairman, I yield five minutes more to the gentleman from Wisconsin [Mr. BERGER].

Mr. CANNON. I wish to ask whether the gentleman from Kentucky is for Government ownership?

Mr. STANLEY. The gentleman from Kentucky is essentially an individualist. He differs as widely from Judge Gary

as from the gentleman from Wisconsin [Mr. BERGER]. I am not a Republican; I am not a Socialist; I am a Democrat. [Applause on the Democratic side.] And I believe in competition and the independence of the individual.

Mr. FOWLER. Mr. Chairman—

The CHAIRMAN. Does the gentleman from Wisconsin [Mr. BERGER] yield to the gentleman from Illinois [Mr. FOWLER]?

Mr. BERGER. Yes; I yield to the gentleman.

Mr. FOWLER. I understood the gentleman to say, in the course of his argument, that the conditions had grown to such an extent that the capitalist of to-day thought more of his wealth than he did of the laborer or the family of the laborer?

Mr. BERGER. Yes; I said the average capitalist.

Mr. FOWLER. I was at a coal mine in my district last summer wherein there had been an explosion, and a man was sent down to investigate the result. When he came back the superintendent asked him, as the first question, "Were there any mules killed?" Is that what you mean by sizing up this situation?

Mr. BERGER. I did not know of that incident; but I could recite a good many incidents of a similar nature.

Mr. JACKSON. Will the gentleman yield?

The CHAIRMAN. Does the gentleman from Wisconsin yield to the gentleman from Kansas?

Mr. BERGER. Yes, sir.

Mr. JACKSON. The gentleman was discussing the trust question. I would like to ask the gentleman if it is not true that what he means, under our present industrial system, is that where a man has used his property to produce a monopoly, under the common law and under our Constitution that man's property is devoted to the public use and that the Government has a right, this Congress has a right, to regulate those prices? And I will ask the gentleman further if our Supreme Court, in the cases of Munn against Illinois and the people against Budd, has not announced and confirmed that doctrine?

Mr. BERGER. Mr. Chairman, I do not know all the decisions of the Supreme Court. I am glad I do not. [Laughter.] However, whether the Supreme Court has so decided or not, the trusts are the natural outcome of industrial evolution, and our laws, our courts, and our Constitution will have to accommodate themselves to industrial conditions.

Mr. JACKSON. What I wanted to ask was this: Would it be anything contrary to the present doctrine of individualism, as we understand it in this country, if the courts and the legislature should regulate the prices of the products of men who violated the laws and used their property to produce a monopoly?

Mr. BERGER. Well, I will say that it would be contrary to the spirit of a régime of true individualism. Any interference by the Government with the rights of private property is socialistic in tendency.

Mr. JACKSON. I hope the gentleman is in favor of the Government enforcing true individualism.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. JACKSON. I move, Mr. Chairman, that the gentleman be given time to answer my question.

Mr. PAYNE. Mr. Chairman, I do not think the state of the country depends upon this. I yield one hour to the gentleman from California [Mr. KAHN].

The CHAIRMAN. The gentleman from California [Mr. KAHN] is recognized for one hour. The committee will be in order.

Mr. KAHN. Mr. Chairman, I had not intended to participate in this discussion, for I frankly admit that Schedule K is one of the most intricate features of tariff legislation; and I, for one, was willing to wait until the Tariff Board, created by the last Congress, would be able to report to this Congress the result of its investigations regarding wool. But the other day the gentleman from Pennsylvania [Mr. FOCHT] put into the Record a letter from a firm in Philadelphia, a portion of which I desire to read:

Permit us, however, in connection with this subject of commerce, to suggest that the best thing that the Congress can do at this time for the advantage of American commerce is to adjourn and go home. All industrial trade in this country is paralyzed. Thousands of men, either partially or wholly idle, are walking the streets, and factories are closed or working on short time, whilst the several members of the Government * * * are spending the passing moment in a wild endeavor to secure a reelection to the particular office which he or they may be holding.

The suggestion, it seems to me, is fraught with a great deal of wisdom as well as much common sense, and I honestly believe that the entire country is of the impression that we are playing politics down here more than anything else. I feel confident that the country has already discovered that the gold which was promised by the Democracy prior to the last election

has turned out to be but tinsel, and that the seeming virtue of the Democracy has turned out to be but smooth-faced hypocrisy. And I believe that the consideration of Schedule K, which is now in progress in this House, has convinced the country more than ever that such is the fact.

Conditions in the United States to-day are not unlike the conditions that prevailed here in 1892. At that time the people of this country were led to believe that they were unnecessarily and outrageously overtaxed. In the political campaign of that year the Democratic Party had placarded all the dead walls of the country with pictures to show that from the cradle to the grave the American citizen had to pay his tribute to this or that trust or combine that was raising prices on all kinds of commodities, and especially on the necessities of life. I remember very well how the little infant was pictured as lying in a cradle that paid such and such a per cent ad valorem of tax; and when he grew up to be a schoolboy he paid on his books and his slate and his satchel, such and such a per cent ad valorem of taxes. When he grew up to be a young man and was about to be married, the wedding ring which he placed on the finger of his blushing bride was taxed at such and such a per cent ad valorem; when he finally died, he was laid in a coffin that was taxed at such and such a per cent ad valorem; and, last scene of all, when a tombstone was erected over his remains, it too was taxed at such and such a per cent ad valorem. Even in death, according to the placards, he could not escape the tariff tax.

The American people were led to believe it, and in 1892 they elected a Democratic House of Representatives, a Democratic President, and the Senate became Democratic for the first time in many years.

One of the other things that contributed to the success of the Democratic Party at that time was the schism that existed in the Republican Party. In fact, the Democrats never, in recent American history, have been able to elect their candidates for the important Federal offices in this country unless there was schism in the Republican ranks. That was the case in 1884, when Mr. Cleveland defeated Mr. Blaine. The Republican Party was divided. Otherwise Blaine would not have been defeated.

In 1892 there was a similar condition of affairs. Mr. Harrison, one of the ablest Presidents that ever graced the White House, was personally unpopular with the leaders of his party. He was not given that generous support that he should have received. In addition to that the people were led to believe, as I have just indicated, that they were being taxed to death under the McKinley tariff law, which had but recently been passed.

Mr. BUCHANAN. I should like to ask the gentleman to explain the cause of the split in the Republican Party at that time?

Mr. KAHN. It had reference to the personality of the candidate and nothing else.

Mr. BUCHANAN. Then it was not the result of vicious legislation?

Mr. KAHN. No; it was not. In 1884 Mr. Blaine was looked upon as one of the ablest and most popular leaders this country had ever had; but he had made powerful enemies during his public service, and they fought him bitterly in that campaign. They were known in the political history of that campaign as "mugwumps," to distinguish them from the Republican regulars, who were then called "stalwarts."

Mr. BUCHANAN. Will the gentleman yield further?

Mr. KAHN. I will yield for another question.

Mr. BUCHANAN. Was it not due to the fact that Mr. Blaine stood for reform measures that caused the other elements of the Republican Party to secure his defeat?

Mr. KAHN. Oh, I do not think it was anything of the kind. He was opposed by enemies whom he had made during his service in this House and in the Senate of the United States, and also as Secretary of State under President Garfield.

Mr. RICHARDSON. Will the gentleman yield to allow me to make a suggestion?

Mr. KAHN. I will, certainly.

Mr. RICHARDSON. Do you not admit the historical fact that Mr. Clay and Mr. Blaine were acknowledged and considered to be the greatest commoners of this Republic and the most popular men?

Mr. KAHN. Yes; I think that is so.

Mr. RICHARDSON. And yet you say Blaine was defeated on account of personal unpopularity?

Mr. KAHN. Oh, no; I did not say that. The gentleman misunderstood me. I say that Mr. Blaine was defeated by the machinations of enemies whom he had made during his service on this floor and on the floor of the Senate and also as a member of President Garfield's Cabinet. They became the "mug-

wumps" of the Republican Party. That is the name by which they were known at that time.

Mr. Chairman, the Democracy had complete control of the administration of the affairs of this country in 1893, as a result of the election of 1892. They immediately began to take up tariff legislation, just as they are doing in this country to-day. Within a short time the industries of this country became paralyzed, the factories were shut down, and the working people were idle. It did not take the American people long to discover that they had been fooled, and the voters of the country in 1896, fully realizing the mistake that they had made in 1892, elected a Republican President, a Republican Senate, and again elected a Republican House.

Mr. BUCHANAN. Will the gentleman yield?

Mr. KAHN. I will yield to the gentleman.

Mr. BUCHANAN. I beg the gentleman's pardon for interrupting him, but I would like to ask the gentleman if it is not a fact that the defeat of the Democratic Party in 1896 was due to a split in that party?

Mr. KAHN. No; I do not think it was due to that. It was due to economic questions that the people of this country had studied during the three lean years that they were clamoring for bread; they concluded that the Democratic doctrine on the tariff was entirely wrong and that the Republican doctrine of protection to American industries was entirely right. [Applause on the Republican side.]

Mr. BUCHANAN. Is it not a fact that there was a split in the Democratic Party at that time?

Mr. KAHN. Yes; and there was also a split in the Republican Party; for the free-silver Republicans walked out of the Republican national convention even as the gold Democrats had broken away from the Democratic Party on the money issue in that campaign. So those defections balanced each other.

Since the time that the Republicans have been in complete control of the affairs of this Nation they have enacted such a mass of constructive legislation on so many important and diversified subjects that the period from 1897 to 1911 has no parallel for constructive and remedial legislation in the history of this country. Let me read a few of the important laws that have been written upon the statute books by Republican Congresses since 1897:

The Dingley tariff law, which blotted out a deficit and put a surplus into the Treasury and which rehabilitated the industries of this country. The employers' arbitration act. The national bankruptcy act. The law recognizing the independence of Cuba. The law for the annexation of Hawaii. The Alaskan criminal code. The gold-standard, refunding, and banking act. The incorporation of the Red Cross. The Spanish Treaty Claims Commission law. A Code of Laws for the District of Columbia. An act to establish the National Bureau of Standards. An act to provide a permanent Census Office. An act to repeal the war-revenue taxes. An act to provide for the construction of the Panama Canal. The Philippines government act. An act to expedite the antitrust cases. An act establishing the Department of Commerce and Labor. The Hepburn Anti-rebate Act. The Philippine coinage acts. An act exempting private property at sea, not contraband of war, from capture or destruction by belligerent powers. An act marking the graves of Confederate soldiers. An act creating a juvenile court for the District of Columbia. An act reorganizing the consular service of the United States. An act for the exemption of denatured alcohol from taxation. The first employers' liability act. An act for the admission of Oklahoma as a State. An act for the protection of the Alaskan fisheries. An act creating the Bureau of Immigration and Naturalization. The meat-inspection law. The pure food and drug law. An act limiting the hours of labor of railroad employees. The anti-pass act prohibiting the railroads from issuing free passes. The second employers' liability act. The tuberculosis registration act. A law for the grading of cotton and grain. A child-labor law for the District of Columbia. Compensation to United States employees for injuries received in the service of the Government. The law for the remission of the Chinese indemnity. An act to provide for improved accommodations for steerage passengers. The enlargement of the homestead act. The anti-bucketshop law. The recodification of the United States criminal laws. The Payne Tariff Act. The establishment of the Customs Court. The Philippine tariff act. The proposed income-tax amendment to the Constitution of the United States. The law for the extension of time to establish residence for homesteaders. An act to make United States bonds and certificates payable in gold coin. An act for the suppression of the white-slave trade. An act to further extend the employers' liability law. The uniform warehouse law in the District of Columbia. The law pre-

venting the manufacture and sale of and transportation of adulterated insecticides. An act requiring railroads to report all accidents to the Interstate Commerce Commission. An act establishing the Bureau of Mines. An act establishing a commission of fine arts. An act in relation to the equipment of vessels and motor boats so as to prevent collisions. An act reorganizing the Lighthouse Service and establishing the Bureau of Lighthouses. An act creating the Court of Commerce. An enabling act for the admission of New Mexico and Arizona as separate States. An act providing for postal savings banks. An act providing for publicity of campaign contributions and prohibiting corporations from making contributions in elections. The national conservation act. Then there was the act allowing the issuing of bonds for the completion of irrigation projects and the Mann white-slave law. This is but a partial list of the many excellent laws that have been enacted during the last 14 years under Republican administrations. It is a record which has never been excelled by any party in the history of the United States. [Applause on the Republican side.] The people of this country realize the enormous quantity of work and the statesmanlike quality of the work that has been accomplished by the Republican Party since 1897.

Mr. HUGHES of New Jersey. Will the gentleman yield?

Mr. KAHN. Certainly.

Mr. HUGHES of New Jersey. Is not the gentleman going to include also the act authorizing the Panama Exposition to be held in San Francisco? [Laughter.]

Mr. KAHN. Yes, Mr. Chairman; that was only one of the many other worthy things that have been done, but I felt too modest to speak about it. [Laughter.] But, as I stated before, history is repeating itself. In the last campaign many of the people of this country were led to believe that the Republican tariff was responsible for the high cost of living. They were again led to believe they were being taxed to death. They were also led to believe that the rules of this House were so stringent and their enforcement was so arbitrary that the Members could not get up a proposition for discussion and action, no matter how meritorious it might be.

Mr. FOWLER. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman yield?

Mr. KAHN. In a moment. Then, too, many Republicans were met with most violent attacks in the last campaign at the hands of certain newspapers that waged a campaign for free wood pulp and free print paper. The muckrakers of the press at that time did everything they could to destroy the confidence of the American people in the Congress of the United States, and especially in the Republican side of the Congress. These were the principal causes that led to Republican defeat. I now yield to the gentleman from Illinois.

Mr. FOWLER. Mr. Chairman, I ask the gentleman if it is not a fact that the rules were so stringent that a resolution was passed prohibiting a discussion of the Payne tariff bill on the floor of this House and if the gentleman did not vote for that resolution.

Mr. KAHN. Mr. Chairman, the Payne tariff law, as I recall it now, was fully discussed on the floor of this House. Under a special rule, as I recall it, the amendments that had been adopted by the Senate were passed without discussion. And I will tell my friend from Illinois that in adopting such a rule the Republicans were simply following the precedent established by the Democrats when they passed the Wilson bill. It is practically what the Democrats are doing now with this bill. They say that they are allowing a free discussion of this measure. So they are; but of what good is it? You gentlemen on the Democratic side have met in your caucus and you have decreed absolutely that no amendment shall be permitted to the pending bill. Practically every Member on that side of the House is a party to that caucus agreement, and although you will permit amendments to be offered, you have agreed beforehand that you will vote them down. Under such circumstances and conditions, what is the actual difference between the action of the Democratic side of the House at this time with respect to amendments to this tariff bill and the action of the Republican House in the last Congress? None whatever!

Mr. FOWLER. Is it not a fact that there was not a single speech made on the floor of this House from the time that the Payne bill was brought out of the committee until it was passed?

Mr. KAHN. Why, the gentleman is entirely mistaken. It was discussed here for days.

Mr. NYE. For weeks.

Mr. KAHN. Yes, for weeks; just as you are discussing this wool schedule now.

Mr. FOWLER. And I ask the gentleman if he did not vote for a resolution to pass that bill without discussion?

Mr. KAHN. Emphatically, no! No such resolution was considered. Mr. Chairman, in the meantime—that is, since the last election—the Payne law has been amply vindicated. Prior to the enactment of that law there was a large deficit in the Treasury of the United States. The Payne law has brought about a condition that gives us a surplus in the Treasury in place of a deficit.

When the Democrats captured this House in the last election it became evident that Mr. CLARK, the gentleman from Missouri, would be elected Speaker of this House, and I think I can safely say that every gentleman on this side of the House feels that so long as a Democratic Speaker had to be elected, the Democrats were exceedingly happy in the choice of the distinguished gentleman from Missouri. [Applause.] I have had opportunity to come in close contact with him, in connection with matters appertaining to Asiatic exclusion, and so far as his candidacy for the Presidency is concerned, the Democratic Party can find no better candidate anywhere in this country. [Applause.]

Mr. BARTLETT. May I suggest that it looks also that almost any worthy candidate that we might nominate next year will be elected to the Presidency.

Mr. KAHN. Well, I think the gentleman is drawing a long bow, and probably with him the wish is father to the thought. I think when the gentleman and his party go to the country next year the country will have realized fully how little the Democratic Party will have accomplished in the way of constructive legislation.

You will have disturbed business conditions so that hundreds of thousands of laborers and mechanics will be out of employment; you will have agitated the tariff to such an extent that nobody in this country in any manufacturing business will know just exactly where he stands; and you will not have accomplished a single other thing. Now, I desire to go ahead for a little while—

Mr. BARTLETT. Mr. Chairman, may I suggest—

Mr. KAHN. Pardon me, but did the gentleman desire to ask a question?

Mr. BARTLETT. I was merely going to say—

Mr. KAHN. I do not desire any suggestions, but if the gentleman desires to ask any questions I shall be glad to answer them.

Mr. BARTLETT. I shall not impose on my friend's good nature.

Mr. FOWLER. Mr. Chairman—

The CHAIRMAN (Mr. WATKINS in the chair). Does the gentleman from California yield to the gentleman from Illinois?

Mr. KAHN. For a question; not for any suggestion.

Mr. FOWLER. The gentleman says the Democratic Party is lacking in constructive statesmanship. I desire to ask the gentleman where all the constructive statesmanship came from prior to the Civil War?

Mr. KAHN. Well, that is ancient history; that is barred by the statute of limitation. [Applause on the Republican side.] There is a new class of statesmen at the helm in the Democratic Party, but the history of this country since 1861 shows that except in a single instance the Democratic Party has not placed upon the statute books of this country a single piece of legislation based upon constructive statesmanship. [Applause on the Republican side.]

Mr. FOWLER. I will ask the gentleman one further question and that is all—

Mr. KAHN. Well, if the gentleman desires to ask it.

Mr. FOWLER. I desire to ask the gentleman if it is not a fact that the Democratic Party forced the Republican Party to enact one of its greatest measures, and that was the publication of campaign contributions?

Mr. KAHN. Oh, the gentleman certainly can not be serious about that. Why, the Republican Party enacted that—

Mr. FOWLER. To please the Democrats?

Mr. KAHN. Well, the Democrats, when they were offered an opportunity in this House to pass a genuine publicity bill, refused to do it. They seem to want the Republicans to show what they have expended in the campaign, but a majority of the Democrats seem to want their own expenses to lie hidden in rusty pigeonholes in the offices of the secretaries of state in the Southern States. [Applause on the Republican side.] And I propose to fully exploit that very performance of the Democratic majority a little later on in my discussion.

Mr. FOCHT. If the gentleman will permit me, I would like to ask the gentleman from California, since he happened to be in a discussion with the gentleman from Illinois with respect to the history of the Democratic Party, whether it was not recently stated on the authority of the Democratic candidate for the presidency, Woodrow Wilson, that the Democratic Party up until the time of the war belonged to medieval history?

Mr. KAHN. I believe that is the fact, and I thank the gentleman for calling it to my attention. Now, when the present Speaker of this House was conducted to the Chair to be sworn in he made a statement to the House and to the country proclaiming the Democratic program for this session. Chief among the matters to be accomplished by this Democratic House were the following:

1. An honest, intelligent revision of the tariff downward. * * *
2. The passage of a resolution submitting to the States for ratification a constitutional amendment providing for the election of United States Senators by the popular vote. * * *
3. Such changes in the rules of the House as are necessary for the thorough and intelligent consideration of measures for the public good.

And he went on to say:

I congratulate the House and the country, and particularly do I congratulate the members of the Committee on Ways and Means, upon the success of the important and far-reaching experiment of selecting committees through the instrumentality of a committee, an experiment touching which dire predictions were made and concerning the operation of which grave doubts were entertained, even by some honest reformers.

I shall have something to say about that in a few moments.

4. Economy in the public expense that labor may be lightly burdened.

5. The publication of campaign contributions and disbursements before the election. * * *

6. The admission of both Arizona and New Mexico as States. * * *

It is certainly an ambitious program, to say the least. But no mention was made, however, of the bill for which the Congress was called together especially, namely, the Canadian reciprocity bill; perhaps because the distinguished gentleman from Missouri included that in his proposition to revise the tariff downward; or possibly it was because, emanating from a Republican President, the gentleman did not want to become sponsor for it. At any rate, he was entirely silent upon the subject. Now, quite a number of these important matters had been passed by Republican Houses on quite a number of occasions. The gentleman from Illinois [Mr. FOWLER] asked me whether the Republicans did not steal Democratic campaign thunder. My impression is that the Democrats undertook to steal Republican campaign thunder, and I think I can demonstrate it before I get through.

Take, for instance, the resolution submitting a constitutional amendment to the various States for the election of Senators by direct vote of the people. In the Fifty-fifth Congress such an amendment passed the House of Representatives, a Republican body, on May 11, 1898, by a vote of 185 yeas to 11 nays. In the Fifty-sixth Congress, with a Republican House, on April 13, 1900, a similar resolution was passed by a vote of 242 yeas to 15 nays. In the Fifty-seventh Congress, on February 13, 1902, by a practically unanimous vote, no roll call having been had thereon at all, a similar resolution was passed by a Republican House. But not a single one of these resolutions to amend the Constitution of the United States contained a provision for the emasculation of section 4 of Article I of the Constitution. That section reads:

The times, places, and manner of holding elections for Senators and Representatives shall be prescribed in each State by the legislature thereof; but the Congress may at any time by law make or alter such regulations, except as to the places of choosing Senators.

Of course, that provision gives the Federal Government authority to regulate elections for Senators and Representatives. But gentlemen high up in the councils of the Democratic Party are reported to have stated recently that unless that particular provision of the Constitution were repealed it is doubtful whether the southern legislatures would adopt such a constitutional amendment. It is the first time in the history of this kind of legislation that the Democrats have ever raised the point, so far as I have been able to discover. Their vote upon the constitutional amendments passed by Republican Houses of Representatives has been invariably for the amendment as submitted, without any reference to section 4 of Article I of the Constitution.

Now that the Democrats are in power again in the House of Representatives, they suddenly find that it will be practically impossible to adopt this constitutional amendment in the Southern States unless Federal control of elections, as provided for in that section, be entirely eliminated. Why? Because they are afraid of a force bill, so they say. Is not that a confession of their own weakness? It shows on its face that they do not hope to continue in power for any length of time or they would not conjure up such a senseless bugaboo. But I think the Northern and Western States will insist on retaining section 4 of Article I of the Constitution just as it now stands.

Much has been said about the new rules and some proposed new rules. Most of the rules that have amounted to anything in the change that has been accomplished were made in the last Congress. But how have they been enforced here? Has not the Democratic majority side-stepped them all through this session? On Monday we have a Unanimous Consent Calen-

dar and also a Calendar of Motions to Discharge Committees. They are among the innovations to the rules made by the last House. In the present session they have been "more honored in the breach than the observance." The Democratic majority here have usually adjourned over from Friday or Saturday until Tuesday in order to avoid the Monday business. And when they have not adjourned over they have continued Saturday as a legislative day by taking a recess until Monday morning at an hour earlier than the regular session would ordinarily begin. Oh, but the chairman of the Committee on Ways and Means says that that is done because the various committees and the chairmen of those committees were told that they were not to report out any legislation at this session at all, except such legislation as the Democratic caucus might agree on. Well, that is undoubtedly so. But here I notice on to-day's calendar a large list of motions to discharge committees, and the second on the list is the motion by the gentleman from Ohio [Mr. ANDERSON], who is a Member of the Democratic majority and who wants the Committee on Invalid Pensions discharged from further consideration of H. R. 767.

A bill granting pensions to certain enlisted men, soldiers and officers, who served in the Civil War and the War with Mexico, and amending the act of April 19, 1908, relative to the widows of soldiers, etc., of the Civil War.

That motion has been on the calendar since April 25, and it seems rather singular that the Democratic majority adjourns over from Saturday until Tuesday in order to deny the House an opportunity to take up this matter, which a Democratic Member, mark you—who presumably had heard of the instructions from the chairman of the Committee on Ways and Means—had placed upon the Discharge Calendar in order that the bill might speedily be placed upon the calendar of this House for action. Of course, I do not suppose that these adjournments are taken in order to avoid taking up this bill. Oh, no!

In his message to the country, when he was sworn in, the Speaker of the House made a great point upon the splendid effect that the committee on committees was having upon this House. The plan has not been in operation very long in this House, but any Member who is interested in seeing how admirably it has worked thus far need only to refer to the CONGRESSIONAL RECORD of this session in connection with the appointment of the members of the committee on the Sugar Trust investigation. If he desires to become convinced, I would commend him to read anywhere along pages 1269, 1270, 1271, 1272, 1291, 1292, 1293, 1294, 1295, 1302, 1306, and 1307 to see how admirably this new feature, that was heralded with so much approval, has worked out thus far.

Much was said about the economy in the expenses of the House—the economy that was proposed in the expenses for the government of the House.

I believe \$188,000 was to be saved. I understand that a goodly portion of that was to be saved by the discharge of about half of the police force around this Capitol. Now, the House alone is not responsible for the appointment of that police force. The Senate has something to say about it, and I suppose that when the gentlemen made their announcement about this great saving they knew pretty well that the Senate would probably not consent to a reduction of that police force—a force which is absolutely necessary for the protection of the property of the United States and the safe conduct of not only the members of the United States Supreme Court and the members of both Houses of Congress, but also of those visitors who come from every section of the Union to see this splendid national Capitol building.

Much stress was laid too, by the Speaker, upon the bill providing for the publication of campaign expenses prior to election. The Republican Congress had already passed a law on the general subject and the bill which was recently passed by this House at this session, is simply an amendment or enlargement of that law, in order that campaign contributions and expenses should be published before election as well as after. I think it is an admirable law. But at the time the bill was under consideration here, I called the attention of the Democratic majority to the fact that the proposed measure did not entirely cover the purposes for which it was intended; and that if they were honest and sincere in their efforts to write upon the statute books of the United States a real publicity law, they would also have to include in that law a provision that statements of contributions to and expenditures by candidates for Congress at primary elections as well as at general elections should be filed with the Clerk of this House, in order that they might become, in very truth, public records. It is well known that in the South the principal election expenses are incurred at the primaries. After the primary, the successful candidate need not worry about the general election. He has no expense to speak of after the primary.

It was a very amusing and interesting occasion on this floor on the day when that question came up. The gentleman from Kansas [Mr. JACKSON] offered an amendment to the bill, providing that the campaign contributions to and expenses of candidates for Congress at the primaries, as well as at the general elections, should be filed with the Clerk of this House. There are many new Members on the Democratic side of the House. They thought it was a fair proposition, and they voted for it accordingly. The strong Democratic organization of this House was apparently defeated on that amendment by the votes of practically the united Republican minority plus a considerable number of votes from the Democratic majority. For the amendment carried and there was consternation in the Democratic ranks. I do not know what influences were used to secure a reversal of the vote. But that amendment provided that the United States district courts would have jurisdiction in the matter, and possibly some of the gentlemen from the South may have been induced to believe that if that condition were continued in the bill, a force bill might be introduced, which might even put the candidates for nominations in the primary elections at the mercy of the courts of the United States.

And then we saw a remarkable thing on this floor. The Democrats got together again, under the party lash, and they voted to strike out of the law the very amendment which, less than an hour before, had appealed to a goodly number of them as a splendid and proper piece of legislation.

The Democrats have made a great point about the admission of Arizona and New Mexico. Why, the enabling act for their admission was passed by a Republican Congress, and a Republican House passed a resolution for the admission of New Mexico at the last session of Congress. It failed in the Senate on account of lack of time.

In addition to these measures, the Democratic majority have passed through this House a "farmers' free-list bill." That was put through under instructions of the Democratic caucus. I doubt whether a single Member of the Democratic majority honestly expects to see it pass the Senate. And yet we have been disturbing the business of the country by taking up the time of the House with a measure of that kind.

The Canadian reciprocity bill has been passed by this House. A similar bill had passed the House in the last session of the Sixty-first Congress, a Republican House.

And now, Mr. Chairman, we have pending before us this bill for the revision of Schedule K as an additional feature of the Democratic program. I understand that the Tariff Commission, or rather the Tariff Board, will report its conclusions on the wool schedule on the 1st of next December. It might have been well for the Democratic majority to have waited until that time before they began the revision of this schedule. At that time they would at least have had some light upon the subject, for I understand that this bill, as reported to this House, was reported by the majority of the Ways and Means Committee without any additional testimony having been taken upon the various items contained in the schedule since the hearings upon the Payne bill were had.

To have waited a few months for that report from the Tariff Board would not have entailed a hardship upon the people of this country, so far as I know. The appropriation for this Tariff Board was, as I remember it, \$250,000. Both the Speaker of this House and the Democratic leader on this floor, the gentleman from Alabama [Mr. UNDERWOOD] spoke and voted for the board. Now, if the report of this Tariff Board on the subject of the wool schedule will be of such little value that it will not be worth while to wait for it, then both of these gentlemen have helped to vote away a large sum of money out of the Public Treasury for an entirely useless purpose. But I believe the report will be worth waiting for. I believe the country expects us to wait for it, in order that we may have full information upon which to predicate our action regarding this much-discussed Schedule K. And I believe the House ought to wait for this report.

I notice that under the provisions of the bill ad valorem duties are generally substituted for specific rates. I believe that to be a distinct step backward. Ad valorem rates have led constantly to undervaluations and frauds. There is ample testimony on that score. But it is universally admitted that the schedule has many intricacies, and it seems the height of folly to attempt its revision without full knowledge upon the subject.

The distinguished leader of the minority on this floor [Mr. MANN] pointed out in a very able speech the other day that practically every man on the Democratic side who has spoken on this bill has made the assertion that he believes in a tariff for revenue only. That has been the Democratic position since the Democratic Party, or a large portion of it, broke away from absolute free trade—a tariff for revenue only; and though they have been defeated upon that issue time and again before the American people, they have always tried, when they got the op-

portunity, to revitalize the corpse and bring it to life once more, to the great detriment of both the labor and the capital interested in the continued operation of the industries of the country.

I have listened with some interest to the discussion on the tariff questions that have come before this House within the last few weeks. Almost every Member on the Democratic side of this House has taken the position that the tariff is responsible for the trusts. Now, I think if they were to investigate that matter, they would realize that they are entirely and absolutely wrong upon that question. The trust movement is one of the phenomena of modern business and commercial advancement, and trusts exist in free-trade England even more numerous than they do in this country. Mr. H. W. Macrosty, who is to-day a recognized authority on English trusts, in his able and highly instructive work on "The Trust Movement in British Industries," says:

But the encroachment on the realm of free competition steadily progresses, though not at the feverish speed of six or seven years ago. We have to reckon with the probability, to use no stronger term, though one might without exaggeration say the certainty, that we are in the early stages of the evolution of the form which industry will take in the future. * * * The special reason for the formation of an amalgamation is always the existence of destructive competition, the result of a surplus of productive capacity.

And again, on page 335 of his work, he says:

It is safe to assume that British trusts keep prices, on the whole, somewhat above what they would be under free competition.

Now, those trusts to which he refers are organized in free-trade England, and yet there, according to this recognized authority, they keep prices above what they would be if there were free competition.

Dr. Herman Levy, of Heidelberg, Germany, who has spent several years in England studying the trust question there, in his "Monopole, Kartelle, und Trusts," published at Jena in 1909, which, I believe, is one of the latest books that has been published on this important subject, says:

It was presumed that owing to her free-trade policy, as well as her location on the sea, which would tend to prevent high freight charges, the formation of trusts for the purpose of raising prices would be found impossible. * * * But this presumption has been destroyed by the actual development of existing English monopolistic amalgamations.

Mr. Chairman, England has had trusts and monopolies for centuries. As early as 1771 a combination was formed by the colliery owners north of Newcastle on Tyne under a system which they called "Limitation of Vend." The object was to keep up the price of coal in London and to prevent competition by sea or canal, and at a later period by rail. The prices charged were very excessive and burdensome. Between 1800 and 1836 there were no less than five investigations at the hands of committees of Parliament, and an interesting report on the coal trade was published in the latter year by one of those committees. The report called attention to the fact that at that time a great majority of the owners of collieries north of the Tyne had combined for the purpose of controlling the London market by limiting output and raising prices.

That was in 1836. The trust had been in operation since 1771.

The report states that great quantities of poor coal were forced on the market by this combination at exceedingly high prices. It was but a repetition of former reports, but the combination existed for upward of 70 years in free-trade England before it was finally dissolved.

Nor did this combination have easy sailing. Its history is rather interesting in the study of the development of trusts. R. Eddington, in 1813, published "A Treatise on the Coal Trade." He told how, as new collieries were opened south of Newcastle-upon-Tyne, keen competition ensued between the old fields and those more recently developed. The fight was long, hard, and eventful. It was prosecuted for the purpose of determining which set of collieries should control the market and supply the public, those north of the Tyne or those south of that river. But after this quarrel had lasted for several years the parties to it found it advisable to pool or combine their interests, regulate the output of each colliery, and to extort such prices as might suit the convenience of the monopolists.

The copper industries of Cornwall and Anglesea in the eighteenth century were the greatest in the world, and they showed every symptom of having been organized into a trust. In 1785 the Cornish Metal Co. was organized by a syndicate of mine owners and smelters who controlled seven-eighths of the copper output of Cornwall. The entire output of Anglesea was in the hands of one man, and he, with the Cornish Metal Co., formed a trust to put up the prices of copper and to limit the output. The Birmingham copper consumers at that time realized that they were being squeezed by this trust. They organized a counter syndicate which they called the Birmingham Mining and Copper Co., and began to buy up copper properties, put up smelters, and erect villages for their operatives in order to get them away from the trust. Finally they actually did break up the trust, but the industry remained in such few hands that these few owners would get together periodically to limit the output and fix prices, just as the trust had done. Thus Birmingham was for years under the control of a copper trust.

The CHAIRMAN. The time of the gentleman has expired.

Mr. PAYNE. Mr. Chairman, I will yield one-half hour more to the gentleman from California.

Mr. KAHN. As early as 1832 Charles Babbage, in his "Economy of Manufacturers," called attention to a combination of certain organizations against the public, and spoke particularly of the monopolistic amalgamations of gas and water companies. He discussed the combination of the colliery owners, about which I have been speaking, and he also referred to the booksellers' monopoly that was in existence at that time. And so we see that free-trade England right straight along has been the very "mother of trusts."

In 1901 the Industrial Commission, which had been authorized by the Congress of the United States to investigate questions pertaining to immigration, to labor, to agriculture, to manufacturing, and to business, made a report which is exceedingly interesting in the light of present-day history. I will read a little from it, and then put the long list of English trusts in the Record. In 1896, J. & P. Coats (Ltd.) was organized with a capitalization of £7,493,680. In November, 1897, the English Sewing Cotton Co., embracing 15 firms, was organized with a capitalization of £3,000,000. December, 1897, the Yorkshire Dyeware & Chemical Co., embracing 10 firms, was organized with a capitalization of £360,000. In May, 1898, the Linen Thread Co. was organized by nine firms with a capitalization of £2,000,000. In 1898 the Fine Cotton Spinners and Doublers' Association was organized. It embraced 40 firms and was capitalized at £6,750,000. These are the other trusts or combinations reported by the Industrial Commission:

Years.	Month.	Names.	Number of firms.	Capital.
1898.	January.	United Turkey Red Co.	3	£1,200,000
1898.	May.	British Dyewood & Chemical Co.	4	570,000
1898.		American Thread Co. (Ltd.)	13	3,720,000
1898.	December.	Bradford Dyers' Association (Ltd.)	30	4,750,000
1899.	July.	Yorkshire Indigo, Scarlet, & Color Dyers' Association	11	600,000
1899.	October.	Yorkshire Woolcombers' Association	38	2,500,000
1899.		Bomx Consolidated (International)	7	3,200,000
1899.	July.	Bradford Coal Merchants and Consumers' Association	8	350,000
1899.	November.	Woolen & Worsted Machinery Manufacturers	7	290,000
1899.	do.	United Indigo & Chemical Co.	8	250,000
1899.	do.	Barry, Ostlere & Co. (linoleum)	4	1,150,000
1899.	December.	The Calico Printers' Association	60	9,200,000
1899.		English Velvet & Cord Dyers' Association	22	1,000,000
1900.	April.	British Cotton & Wool Dyers' Association	46	2,750,000
1900.	July.	Bedford Lime, Cement, and Brick (all local)		400,000
1899.		British United Shoe Machinery Co.	4	300,000
1900.	July.	Flax, Hemp, and Jute Machinery Manufacturers		1,200,000
1900.	December.	G. & J. Baldwin and Partners (Ltd.) (fingering and knitting wools and hosiery yarns)	6	850,000
1900.	do.	Leeds and District Worsted Dyers' and Finishers' Association	10	180,000
1900.	do.	Wall Paper Manufacturers (Ltd.)	30	4,200,000
1900.		Bleachers' Association (Ltd.)	53	8,250,000
1900.		Associated Portland Cement Manufacturers (agreement with four other firms)	34	8,000,000
1900.		British Oil and Cake Mills	17	2,250,000
1900.		Rivet, Bolt & Nut Co. (practically all the manufacturers in Scotland)	15	550,000
1900.		Wholesale News Agents Association (all firms in Bradford, Leeds, and Sheffield)	32	290,000
1900.	July.	The Extract Wool & Merino Co. (Ltd.)	7	240,000
1887.		Bath Stone Firms (monopolize all but one; since acquired Portland Stone)	7	338,000
1888.		The Salt Union		4,200,000
1891.		United Alkali Co. (Ltd.)	49	8,500,000
1895.		Liverpool Warehousing Co. (Ltd.)	6	1,050,000

The last four concerns belong to an earlier period, but the total aggregation of capital which they helped to swell to £91,946,680 is probably understated. Several of the trusts have recently absorbed other businesses and issued more debenture stock. The list could also be extended. I have stopped at well-organized combinations—concrete examples of the trust type. There is, for instance, the National Telephone Co., with its £7,000,000 capital, but it is just about to lose its monopoly. The British Lustreing Syndicate, formed to work patents applied to the textile industry, is a monopoly to keep up prices. There is a strong combination of Scotch paraffin oil companies; the Edinburgh distillers' companies, with 10 firms absorbed. The Lace Curtain Manufacturers' Association has been registered with a capital of £2,000,000, and the Lace Dressers and Finishers' Association, with £1,000,000, but not yet launched.

The trusts in England are exceedingly numerous, and a perusal of that report, made by the Industrial Commission in 1901, at this time will prove exceedingly interesting to the Members of this House and to the country generally. In addition to those enumerated, Macrosty mentions the following in the wool industry: In 1900 the Union Velvet Cutters' Association, embracing four firms, with a capitalization of £200,000 was organized. In 1900 the Extract Wool & Merino Co., with a capitalization of £270,000, was organized. In 1900 the English Fustian Manufacturing Co. was organized at Todmorden and Hebden Bridge. Eighty per cent of the firms engaged in this industry organized this trust, with a capital of £500,000. In 1904 Mitchells, Ashworth, Stansfield & Co., embracing eight firms of felt manufacturing concerns, organized a trust, with a capital of £674,646. In 1904 the Wool Combers (Ltd.) was organized—another trust—with a capital of £585,000. In all, there were 17 combinations in the textile industries alone between 1896 and 1900—17 trusts in free-trade England in the textile industries alone—in four years. Yet gentlemen on the other side of this House constantly repeat the assertion that the tariff is responsible for the trusts.

Now, this matter of trusts in comparatively recent years has been engaging the attention of the statesmen and the economists of the world. Neither England nor this country is alone under the domination of trusts. France, Germany, and Austria all have a system which is practically identical with the trust system. They call it the "kartelle." The only difference between the trusts and the kartelle is this: The trust combines a number of companies, or corporations, or associations, or partnerships in a single organization, and the component parts lose their individual identity. In the German system each one of the component parts retains its identity, but the selling arrangements are made by the members of a special organization, called the kartelle. It makes the prices, demarks the lines of territory which any one of the organizations comprising the kartelle may enter, and also limits the output of the particular commodity it controls. In 1904 Brentano, a distinguished German economist, made this statement, and I call it to the attention of the Democratic membership of this House and also to the attention of my Republican colleagues. He said:

Competition belongs to the past. We live in an age of ever-broadening monopoly.

Mr. Chairman, it seems to me that this proposition, if it be true—and all indications point that way—is a new problem for the statesmen of this period to grapple with. Whether publicity is the remedy, I do not know. Whether government control will meet the situation, I do not know. Whether the entire breaking up of these combinations is the best thing that can be done, I do not know. But the fact remains that statesmen, economists, and thinkers in every one of the progressive nations of the earth are giving their attention to this all-important subject.

Instead of standing here upon this floor and denouncing the Republican Party because that party has placed on the statute books a tariff law which not alone has given new impetus to the industries of this country, but which also has brought enormous revenues into the public coffers, it would be well for the gentlemen on the other side of this Chamber to heed the suggestion of the Philadelphia firm to adjourn and go home. In the interim between now and next December let them study this all-important question of the trusts in its every phase and aspect, in order that they may be able at the regular session of Congress to bring in a measure which will be in the nature of constructive legislation on this important subject. In that way they may bring honor and glory upon themselves and their party. They may then acquire the confidence of the country. In that way they can perform an actual service to the people. But to bring in this piecemeal tariff legislation, which helps nobody in this country, and to keep up this tariff tinkering, which simply tends to paralyze the country's industries to the detriment of hundreds of thousands of mechanics and laborers who are dependent upon those industries for their daily bread, is, to my mind, an utterly useless and senseless performance.

Mr. BATHRICK. Mr. Chairman, will the gentleman yield for a question?

Mr. KAHN. I yield to the gentleman.

Mr. BATHRICK. Does the gentleman assume that the high tariff which has been in force by reason of legislation passed by the Republican Party has not assisted in producing the great combinations of business in this country?

Mr. KAHN. I do not think so, any more than the low tariff or no tariff of England has been responsible for the formation of great combinations in that country. As a matter of fact, if the gentleman will permit me, in looking up this subject the other day I found that several of the American trusts were organized and financed in part by the English trusts which exist in that free-trade country.

Mr. BATHRICK. Does not the gentleman think that the elimination of foreign competition by reason of a prohibitive tariff enabled our American manufacturers to combine more easily with the domestic competition?

Mr. KAHN. The tariff in this country has no more to do with the formation of the trusts in this country than no tariff in England has anything to do with the formation of the trusts in that country. This is the industrial situation all over the world: The men who have large amounts invested in industries are trying to avoid keen competition. They have discovered that competition, and especially the brand which is known as "cutthroat competition," has been ruinous in times past.

Mr. HUGHES of New Jersey rose.

The CHAIRMAN. Will the gentleman yield?

Mr. KAHN. In a moment.

As I was saying, they have found out that competition wherever it has become exceedingly keen has resulted in what they call "cutthroat competition," practically a ruination of industry, and it was in order to prevent that kind of competition that combinations have been made in England, in free-trade England, even before they were made in our protected United States. Discussing this very phase of the trust question, Macrosty writes:

Alike in protected and unprotected markets, free competition becomes cutthroat, prices fall, and overproduction ensues in the wild effort of producers to reduce costs by a larger output.

Now I yield to the gentleman from New Jersey.

Mr. HUGHES of New Jersey. Does the gentleman claim there is any such organization in England or in any other country in the world as the Steel Trust?

Mr. KAHN. Yes; England has its parallels, though not on so large a scale; and if the gentleman will take the trouble to read Macrosty upon the subject he will find in England an exact counterpart of the Steel Trust in this country, and he will probably find the same thing in Germany, too.

Mr. HUGHES of New Jersey. But there is no other organization which has been able to put a blanket mortgage on the country by the issuance of \$400,000,000 of watered stock and compel the people to pay prices that enables them to pay dividends upon that stock.

Mr. KAHN. Oh, the gentleman has not read much upon this subject, because he would find that one of the complaints in free-trade England is the watering of stock. There they have put it into the trust under the designation of "good will." The good will of each concern that goes into the combine is rated at so much. This good will is nothing but water. It has no tangible existence, and it has been used as water in the English combines.

Mr. HUGHES of New Jersey. But the gentleman is not answering my question. I do not think anybody has ever claimed that the civilized world from the beginning of its history down to the present day has furnished a parallel to the Steel Trust, where, shielded behind the tariff wall, it compels the people of this country to pay dividends upon an admittedly watered stock.

Mr. KAHN. Oh, the gentleman has made a statement rather than asked a question, but I will say this to the gentleman, that probably in amount the Steel Trust has the greatest quantity of water that has ever been put into a trust; but the principle remains the same. The same thing is occurring constantly in free-trade England, where trusts have been organized for upward of 100 years; yes, for 150 years, almost. But there the water has been put into the trusts in the shape of what they call "good will." Whenever a combination is effected each concern that enters the combine puts in, as part of its assets, a claim for "good will" of that particular concern. If 40 concerns enter the trust and each one gets an allowance for "good will" my friend will readily perceive that the quantity of water will be very considerable. Why, the history of the English trusts discloses the fact that by reason of the excessive quantity of water in the consolidations which were made at the outset of the present trust movement in the early

eighties, they had considerable difficulty in making a remunerative rate of interest on their investments. But eventually they got around to it, and the trusts in free-trade England are paying good dividends to-day on "water," and more of them are constantly being organized with a good percentage of "water."

Now, let me read this, which is very interesting. I read from the Daily Consular and Trade Report, page 173, of Tuesday, July 19, 1910. This is very interesting, because this trust, or this combination, was organized comparatively recently in free-trade England.

GLASS-BOTTLE MAKERS' COMBINE—BRITISH INDEPENDENT INTERESTS AND NEGOTIATIONS WITH COMBINE.

Consul Benjamin F. Chase, of Leeds, describes the present status of the glass-bottle industry in England and the continued efforts to complete the trust:

In 1907 a combination of many of the leading glass-bottle makers of the United Kingdom was formed for the alleged purpose of safeguarding British interests and regulating the trade. This combine purchased the British patents of the Owen automatic machine from an American syndicate for \$973,300, with a further expenditure of \$146,000 in testing its utility.

Thirteen firms, with factories in London, Newport, Wakefield, Hunslet, Castleford, Thornhill, Lees, Knottingley, and other places, many being in Yorkshire, declined to join this combine and operate independently. These latter concerns were able to continue business by having customers who believed that if all went into a combine prices would go up, because the combine has an agreement with Continental makers by which they are not to sell in the United Kingdom at a price lower than agreed.

Some time ago, at a meeting of the combine and the independent makers, the latter offered to join in a selling-price agreement, but not in the purchase of the machine, but would not agree to declare the output for the previous six months, and not to extend the works to exceed that output for 10 years, nor to the condition that no maker should sell to another not a member of the combine.

Later the Glass Blowers' Union held a meeting at Leeds, and it was represented to them that unless these 13 firms joined the combine and withdrew their competition the prices of bottles, and consequently wages, would have to be reduced. The union then decided to force the independents into the combine, and for that purpose gave notice that unless the agreement were signed they would quit work, which they did at the expiration of the time fixed.

Some of the independents agreed to the conditions and joined the combine and their laborers returned to work. Some still refuse, and the strike continues against them. This is possibly the first time a labor union has declared a strike to force the employer to join a combine which proposes to control a trade and create a monopoly by agreement and otherwise.

There are about 230 heads of families among the glass workers of Leeds who work an average of 5 days of 9½ hours, or 46½ hours per week. The bottle makers or finishers on this time receive 36s. (\$8.76) per week; blowers, 34s. (\$8.27); and gatherers, 29s. (\$7.05).

One of the most important questions that Congress will have to deal with is how to defeat these combines. Many gentlemen on the other side of the House, and at least one on this side, have suggested that in order to defeat them we ought to pass a law to put upon the free list the goods manufactured abroad which compete with trust-made goods manufactured in this country. Let me say to these gentlemen that the history of the formation and the organization of the trusts shows that there is scarcely a single instance where the trust controls the entire output of any commodity. There is always some competition, competition at the hands of independent manufacturers, who refuse to join the trusts. To allow the foreign manufacturers, whose goods compete with similar goods made by trusts in this country, to send their wares into the American market free of duty, would not hurt the trusts. You would be hurting the independent manufacturers all over this country who are actually competing with the trusts, and who are trying to make an honest, honorable living. You want to cure a corn by cutting off the leg at the knee.

Mr. MURDOCK. Will the gentleman yield?

The CHAIRMAN (Mr. HAY in the chair). Will the gentleman from California yield to the gentleman from Kansas?

Mr. KAHN. I yield, certainly.

Mr. MURDOCK. The gentleman will remember that about two years ago there was a good deal of feeling on the floor of this House, expressed with a good deal of passion, to the effect that if we took the duty off of petroleum and its products, great hardship would result to the independent refiners. Now, as a matter of fact, great hardship did not result to the independent refiners; and does not that single instance, happening here within the last two years, absolutely refute the present position of the gentleman?

Mr. KAHN. I do not think the conclusions of the gentleman are entirely correct. I think he is misinformed. I received a letter from a gentleman in San Francisco only three days ago with respect to the use by the War Department of fuel oil rather than coal, and in his letter to me he told me absolutely—and he is one of the independent producers—that they can not readily dispose of their oil. They are in bad shape, and the oil companies are not doing as well as they ought to be doing.

Mr. DONOHUE. Will the gentleman yield for a question?

Mr. KAHN. Certainly.

Mr. DONOHUE. Does that relate to fuel oil?

Mr. KAHN. Yes, sir; to fuel oil and oil generally produced in California.

Mr. DONOHUE. Does not the gentleman know that the fuel oil is a drug on the market by reason of the fact that gasoline is extracted in such large quantities?

Mr. KAHN. Fuel oil evidently does not have the ready sale that it had a few years ago. With respect to gasoline, the independent producers on the Pacific coast claimed that they would suffer the severest kind of competition if the differential were not continued, because steamers belonging to the Standard Oil Co. would occasionally put in at San Francisco and bring the gasoline or benzine from foreign ports to that port at such an exceedingly low rate that the local manufacturers could not compete.

Mr. DONOHUE. But the fact remains that gasoline is in enormous demand for gas engines, and because that part of the oil is used so much now, the fuel oil is in abundance.

Mr. KAHN. Of course, whether the oil from the California fields produces that gasoline which the gentleman refers to I do not know. But I know this, that most of the oil wells in California, or a very large percentage of them, are controlled by independent producers. They do not belong to the trust, and they are having just now a mighty hard time of it to dispose of their production.

Mr. CANNON. Just at that point; I recollect the legislation which allows the oil of the world to come into the United States free, notwithstanding that Russia, and perhaps other portions of the world, charge the oil of the United States a duty. As I understand it, the Standard Oil Co. utilized American oil in the markets of all the world before that legislation and they have done so since that legislation was passed.

I was one that believed that we should treat foreign countries in trade in oil as they treated us, expressing the fear that it would put it in the power of oil combinations, Standard Oil as well as other combinations, to utilize the Mexican product or utilize any future discovered or existing product in our markets free and unduly compete with home-produced oil, especially that produced by the independent companies. But if the gentleman will allow me, the cry of "Down with the octopus" was so great and the political stress of the hour was so great that gentlemen tore passion to tatters in claiming to give the Standard Oil Co. a black eye. I spoke then as a Representative, in connection with my colleague, Dr. FOSTER, of Illinois, of an oil-producing country, operated by independent producers, producing more oil than was produced altogether in the United States east of a line drawn north and south from the rise to the outflow of the Mississippi River.

Mr. KAHN. I remember the circumstances that the gentleman speaks of exceedingly well, and I am proud of the fact that I was one of the few Members on the floor of this House who voted with the gentleman from Illinois at that time.

Mr. CANNON. And if the gentleman will allow me further, I will say in that connection that the great leader of the Democratic Party, Mr. Bryan, did me the honor to come into my district and denounce me, on account of that vote, as a protector of trusts. Fortunately the oil was produced there, and the independent producers lived there, and his visit to my district added to a very good majority that I had. [Laughter and applause on the Republican side.]

Mr. MANN. Will the gentleman yield for a question?

Mr. KAHN. Certainly.

Mr. MANN. Is the gentleman from California, or any other gentleman on the floor of the House, able to show any benefit to any consumer in the country by reason of taking off the tariff from oil?

Mr. KAHN. The consumer has not received a particle of benefit.

Mr. MANN. There was a concrete illustration of the policy of free trade. I do not know myself, but what effect has it had, and what benefit has it been to anybody?

Mr. KAHN. I am glad the gentleman has asked the question, because it simply goes to illustrate a number of things that have been constantly harped on by gentlemen on the other side with respect to the reduction of duties.

Mr. MOORE of Pennsylvania. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from California yield to the gentleman from Pennsylvania?

Mr. KAHN. One moment, if you please. Take the so-called reciprocity laws that have been enacted and put into effect by this Government. It was always contended that they were going to reduce prices to the consumer, and it is being contended now that the act just recently passed by this House on the subject of Canadian reciprocity is going to reduce prices

to our consumers. Cuban reciprocity has been referred to as being a great success. The output of the Cuban sugar fields has grown from 600,000 tons in the year in which Cuban reciprocity was enacted to 1,800,000 tons a year at the present time, and yet sugar has not been reduced in price to the ultimate consumer of this country a fraction of a cent. The 20 per cent differential has gone almost entirely into the pockets of the Sugar Trust. The 20 per cent differential that was taken off Cuban tobacco has gone almost entirely into the pockets of the Tobacco Trust, and the consumers have not benefited from it by a fraction of a cent.

Mr. FITZGERALD. Will the gentleman yield for a question?

The CHAIRMAN. Does the gentleman from California yield to the gentleman from New York?

Mr. KAHN. I will yield in a few moments. The same is true with respect to the Hawaiian reciprocity treaty. Sugar came in from Hawaii under that treaty absolutely free, and yet it did not reduce the price of sugar to the ultimate consumer a fraction of a cent.

The CHAIRMAN. The time of the gentleman has expired.

Mr. PAYNE. Does the gentleman from California desire more time?

Mr. KAHN. I would like just a little more time.

Mr. PAYNE. Mr. Chairman, I yield to the gentleman 10 minutes.

Mr. KAHN. Mr. Chairman, I want to make this further statement, namely, that since free trade with Porto Rico has been established the price of sugar and the price of tobacco have not been reduced a fraction of a cent to the consumers of this country. Since a certain quantity of sugar and a certain quantity of cigars have come into this country free from the Philippines, those commodities have not been reduced a fraction of a cent to the consumers of this country. This world movement of combinations of which I spoke a few moments ago controls these outputs, and even in Canada such combinations will be organized if they do not already exist there, and they will control the prices and the outputs there, just as they control the prices and the outputs in free-trade England, just as they control the prices and the outputs here, and just as they control the prices and the outputs in Germany, in France, in Austria, and in all the other great countries of the earth.

Now, Mr. Chairman, I will yield to the gentleman from Pennsylvania.

Mr. MOORE of Pennsylvania. Then the gentleman states plainly that the removal of the duty on oil has not reduced the price of oil to the consumer in this country?

Mr. KAHN. Not a particle.

Mr. MOORE of Pennsylvania. The gentleman also states that the reduction or removal of the duty on sugar would not reduce the price of sugar to the consumer in the United States.

Mr. KAHN. I have always been willing to learn something from the teachings of history, and history discloses the fact that those laws which heretofore have been enacted reducing the duty on sugar have not resulted in reducing the cost of the commodity to the ultimate consumer a fraction of a cent.

Mr. MOORE of Pennsylvania. One more question. While this process has been going on with regard to oil, and might go on with regard to sugar, and while the consumer has derived absolutely no benefit, the Government loses the revenue?

Mr. KAHN. Exactly.

Mr. PROUTY rose.

The CHAIRMAN. Does the gentleman from California yield to the gentleman from Iowa?

Mr. KAHN. Yes; I will yield.

Mr. PROUTY. Do I understand the gentleman to say or to argue that it is of no use to the Government to undertake to control or limit the operations of trusts?

Mr. KAHN. Oh, the gentleman has entirely misunderstood me. The gentleman was probably not in the House when I spoke on that subject. I believe that it is the province of the Government to do all it can to regulate and control these things. It is an interesting and a complex question. We here in the United States are not the only ones that are bothered about it. Free-trade England is bothered about it; Germany, France, and Austria all have their troubles from it, and their statesmen as well as their economists are busy trying to solve it. In those countries, however, the opposition to the trusts is not as great among the masses as it is in this country.

But the statesmen of those countries are studying it and trying to devise means to secure some control of these monopolistic combinations; and I stated that I believe the Democratic majority in this House might better occupy its time in studying this all-important question, so that by next December that majority may bring in a bill, dictated by wise and sound and

constructive statesmanship, that will help to regulate these combinations, rather than be frittering away the time, as it is now doing, in disturbing business conditions and throwing thousands of workmen out of employment. [Applause on the Republican side.]

Mr. DONOHUE. Has not the consumption of fuel oil increased in the last few years very much?

Mr. KAHN. I can not say as to that. I am not informed.

Mr. DONOHUE. I am credibly informed by oil dealers that the present price of fuel oil is the lowest in the last 10 years.

Mr. KAHN. Fuel oil has been under the control of the trust for many years, and while I for one reprobate as heartily as any gentleman on this floor the actions of the trust in trying to throttle competition and drive competitors to the wall, and while I believe such efforts should be most severely punished, nevertheless the gentleman must admit that since they have controlled the industry, as a general rule, the price of oil has been gradually going down lower and lower in this country. If the price of fuel oil, as stated by the gentleman, be lower than it has been at any time in the last 10 years it bears out that very fact.

Mr. PROUTY. By their efforts or in opposition to them?

Mr. KAHN. They probably may have done it of their own volition in some instances. And where they have done so they ought to be given credit for it. I deprecate as much as the gentleman does, or as much as any Member on this floor does, the effort of any trust that tries to drive competitors to the wall and that tries to ruin those who would go into the same field of industry, and I would go as far as any Member in securing the punishment of the offenders.

Mr. PROUTY. Do you think any trust was ever formed with the idea, purpose, or object of lowering prices?

Mr. KAHN. If the gentleman had been here when I was making the earlier part of my speech, he would have discovered that I said repeatedly that these trusts and combinations were organized in free-trade England as well as in this country and in other countries for the express purpose of raising prices, of limiting output, and of stifling competition.

Mr. PROUTY. Does it not logically follow that if they are organized for the purpose of increasing prices they never lower them unless something else makes them do it?

Mr. KAHN. I do not follow the gentleman's logic entirely. I think that, as a general rule, they are compelled to lower prices; but there may have been times when they have lowered prices of their own accord.

I believe that the combinations want to get all that they can by reason of their combination. They are organized and combined for that purpose, and yet I believe there have been times when by reason of new conditions they have found that they were able to reduce their prices below those which prevailed when the combination was formed.

Mr. PROUTY. The part of your statement that I wished to call attention to was this: You stated that we should give them credit for reducing prices. Do you believe that they have ever voluntarily, for the benefit of the public, reduced a price?

Mr. KAHN. They are not organized for the benefit of the public. They are organized for the benefit of themselves.

Mr. PROUTY. Why should we give them credit for it then?

Mr. KAHN. I believe there have been times when, by reason of reduced cost of production by the discovery of new processes, some combinations have at times reduced prices. That is my impression. They do not do it often, but when they do they should be given credit for it.

Mr. PROUTY. Do you think they would ever voluntarily reduce the price, if there was not something else compelling them to do it?

Mr. KAHN. That is a matter of opinion, anyhow. We can not look into the minds of the people in the trust; but I want to say to the gentleman and to this House that nothing can be accomplished by railing at them. What we ought to do is to try to regulate or control them, and the sooner that is done—it is the part of wisdom and statesmanship to do it—the better it will be.

Several Members rose.

Mr. KAHN. I will yield now to the gentleman from Pennsylvania [Mr. MOORE].

Mr. MOORE of Pennsylvania. Without taking sides on the trust question, will the gentleman answer whether the people themselves would prefer to take the old-fashioned stagecoach to the railroad station at the old-fashioned prices, or take the trolley car at modern prices?

Mr. KAHN. I can not answer for all the people. There are some that I suppose would prefer to go in the old stagecoach, but for myself I had rather take the trolley car.

Mr. MOORE of Pennsylvania. One more question. Assuming that oil was sold 40 years ago in Pennsylvania for 60 cents a gallon and is sold to-day for 12 cents or thereabouts per gallon, through organization of those who made the refining business profitable, would the public prefer to go back to the old method of obtaining oil at 60 cents per gallon or pay 12 cents per gallon under modern conditions?

Mr. KAHN. As one of the public, I should say give me the 12-cents-a-gallon oil.

Mr. MOORE of Pennsylvania. Will the gentleman answer one more question?

Mr. KAHN. Certainly.

Mr. MOORE of Pennsylvania. Assuming what is a fact within my own recollection, that sugar, brown sugar at that, put up in untied bags, stamped out by the feet of West Indian negroes, cost 13 or 14 cents a pound carried home by the purchaser 35 years ago, would the public prefer to return to that system or obtain refined sugar that comes from the organized system of purification to-day for 5 or 6 cents a pound?

Mr. KAHN. The housewife, I think, would prefer the 5-cents-a-pound sugar.

Mr. CANNON. Will the gentleman yield?

Mr. KAHN. I will yield to the gentleman from Illinois.

Mr. CANNON. Does the gentleman know of any one man, farmer, manufacturer, laborer anywhere in the United States, or anywhere in the world, who does not get the most he can for a day's labor or for a bushel of corn or a gallon of oil or any other product?

Mr. KAHN. Of course I do not.

Mr. CANNON. Then the gentleman, I take it, believes that civilization rests on the hustle of the unit?

Mr. KAHN. Certainly.

Mr. CANNON. That men from the standpoint of self-interest obtain what they lawfully can, and if there be combinations that are oppressive and monopolistic it is the duty, so far as we have the power in regulating commerce among the States, to abolish such monopolies?

Mr. KAHN. To abolish them if we can, and to regulate and control them, at all events. [Applause.]

Mr. CANNON. I quite agree with the gentleman.

Mr. MOORE of Pennsylvania. The gentleman, I take it, would rather go onward and upward than backward and downward, in this present day and generation.

Mr. KAHN. Yes; most decidedly.

Mr. DONOHUE. Will the gentleman yield?

Mr. KAHN. Certainly.

Mr. DONOHUE. The gentleman from California is aware of the fact, I suppose, that the proposed glass combine in England is based on a monopoly of patents?

Mr. KAHN. The glass factories in that combination have the patents, it is true, but they have been trying to force their independent competitors into the trust. According to the report of our consul, they have a trust, and the trust is trying to control prices there. The independent manufacturers have given them very keen competition, and because of the keenness of that competition, notwithstanding the fact that the trust has these patents, it has been trying to force the independent concerns into this combine, but not with the success that it had hoped for nor which it anticipated.

Mr. DONOHUE. But the men who have not the patented machinery have no show.

Mr. KAHN. Evidently the independent producers there have a pretty good show, or the combine that controls the patents would not be so anxious to force them into the trust, or of going to the extent of getting the working people of the independents to strike in order to force the independents into the combine. That is pretty good evidence that the independents are making headway against the trust.

Mr. DONOHUE. The gentleman is aware also that the German manufacturers who have been asked to join the combine have also the patented machinery?

Mr. KAHN. The combine exists outside of England to this extent: The English manufacturers have an agreement with the German manufacturers that the German manufacturers will not send their products into England to compete with the products of the English combine. [Applause.]

Mr. Chairman, I stated that the Democrats had not been very successful in the rôle of constructive statesmanship. Let me give the committee a specific case of incompetency in that direction. In the Fiftieth Congress, when the House was Democratic, the Committee on Manufactures undertook to investigate this trust question. The committee held extended hearings on the Sugar Trust, the Standard Oil Trust, the Whisky Trust, and the Cotton-Bagging Trust. Its investigations were extended through practically the entire life of that Congress, and

in the closing days of the second session Mr. BACON, from that committee, submitted a report (H. Rept. 4165), which reads in part as follows:

They respectfully report that the number of combinations and trusts formed and forming in this country is, as your committee ascertained, very large, and affects a large portion of the important manufacturing and industrial interests of the country. They do not report any list of these combinations, for the reason that new ones are constantly forming, and that old ones are constantly extending their relations so as to cover new branches of business and invade new territories.

Your committee further report that, owing to present differences of opinion between the members of the committee, they limit their report to submitting to the careful consideration of subsequent Congresses the facts shown by the testimony taken before the committee.

Sir, in the very next Congress, the Fifty-first, the Republicans passed the Sherman antitrust law. Under recent decisions that law has been vitalized, and I feel confident that energetic steps will be taken by the Department of Justice to make the provisions of the Sherman law absolutely effective.

But Congress itself still has much work to do in dealing with the trusts. In England, thorough publicity has been found a fairly good remedy. The probability is that it has worked more successfully there than it might work here, because those who form the combinations there are generally actuated by a desire to control the business itself, with a view to increase dividends on the investments. Here, however, the combinations have generally been made with a view to stock speculation in Wall Street. But there must be a remedy for every wrong, and the political party that will solve the problem of how to control and regulate, or, if need be, dissolve the trusts, will be doing more for the common people of this country than all the theorists who would tinker with the tariff by trying to engraft their particular theories thereon. And so I say to the Democratic majority, Quit your tariff tinkering; adjourn and go home. Study the question of how to handle the trusts and combinations which tend to stifle competition and thus increase the cost of living; come back next December with a proper bill to cure these evils, and you will be doing yourselves and the country an actual service.

Mr. UNDERWOOD. Mr. Chairman, I now yield 30 minutes to the gentleman from Ohio [Mr. GOEKE].

The CHAIRMAN [Mr. FLOYD of Arkansas in the chair]. The gentleman from Ohio [Mr. GOEKE] is recognized.

Mr. GOEKE. Mr. Chairman, I am grateful to the gentleman from Alabama [Mr. UNDERWOOD] for affording me an opportunity to address the House on the pending measure. I recognize that the discussion of the wool schedule, known as Schedule K, or any other one tariff schedule, necessarily involves, in a measure, a discussion of the tariff question generally, and with it its always present companion, the trust question.

I have listened with considerable interest to the speech of the minority leader, the gentleman from Illinois [Mr. MANN], and I take it that he speaks with authority for the majority of the minority. His speech in opposition to the pending bill was eloquent, learned, and gave evidence of a great deal of industry in its preparation, and we on this side of the Chamber have the highest regard and most kindly feeling for him; yet I feel warranted in saying that his speech is founded on the high-protective tariff theory—a theory that is no longer in favor with the American people. [Applause on the Democratic side.] The gentleman from Illinois is unfortunate in leading on the floor of this House a divided party. Ever since I came to this House I have tried to determine what the exact distinction was between a "stand-pat" Republican and an insurgent Republican; and as I listen to the discussion of the pending measure by gentlemen on the other side of the Chamber I am driven to the conclusion that there are but two distinctions worthy of mention between these two classes of Republicans. It seems to me that the insurgent Republican is in favor of a high protective tariff and the "stand-pat" Republican is in favor of a higher protective tariff [applause and laughter]; that the insurgent Republican upon all occasions seeks to invoke the "holier-than-thou" doctrine and disclaims all responsibility for the errors and mistakes of his party, while the "stand-pat" Republican maintains that the Republican Party can not err and is always right. [Applause and laughter on the Democratic side.]

I do not deem it necessary to devote any time in replying to the objections urged against the pending bill, to the effect that it does not afford sufficient protection to the woolen industry. That question has twice been determined by the American people in recent elections, and it is now taken as universally established that the American people are no longer in favor of high protection. I am also convinced that unless a Member is either an expert on wool tariffs, or has had the good fortune of being a member of the Ways and Means Committee, who formulated and had to do with the pending measure, one is scarcely competent to enter into an intelligent discussion of the complex figures

and rates fixed by the Payne law as to Schedule K. Hence I shall content myself by discussing in a general way the conclusions reached by the authors of the pending bill.

It is a fundamental doctrine of the Democratic Party that in the writing of tariff laws taxes on imports should only be levied for needed public revenue, and that by thus levying taxes on imports it affords the only advantage to the American manufacturers which the Government can justly give, or that the country ought to be burdened with. No one can successfully maintain that the Payne tariff law was written in accordance with this doctrine; on the contrary, it is admitted upon all hands that that law contains throughout the old Republican doctrine of a high protective tariff. The Democratic Party has been placed in power in this branch of the Congress with distinct and explicit instructions to revise the tariff downward along Democratic lines, without special favor to anyone and with as much equality as the present conditions will warrant. The present Payne tariff law is full of vagaries, uncertainties, catch phrases, fraud, and deception. A casual investigation thus far made of the administration of this law at the customhouses discloses that within the short period of 18 months different constructions have been placed upon the law, resulting in the collection of a duty on imports entering the customhouse in New York and admitting the same class of imports free of duty in the customhouses at Mobile, New Orleans, and Galveston.

The same investigation shows that the rates of duty fixed by the custom officers are from time to time either increased or decreased, as the interests affected thereby may desire, and that in the placing of a construction upon the law custom officers have, from time to time, taken the liberty of consulting leaders in Congress on the Republican side as to the meaning of the same. To overthrow this monstrosity is the work that the Democratic Party has entered upon. The question naturally arises, in view of the fact that the party is in control of but one branch of the legislative machinery of this Government, "How can this best be accomplished without destroying legitimate business interests, without destroying the continued prosperity of the farmer, without destroying the opportunity for employment to the laborer, and without depleting and perhaps bankrupting the Treasury of the Government?" We on this side of the Chamber feel that we have discovered a way, under existing conditions, for partial relief at least, by revising the Payne tariff law downward, schedule by schedule, and in an attempt to carry out this policy three distinct attacks have already been made upon the citadel of high protection.

The first was the adoption by this House of the measure approving the reciprocal trade agreement, made by a Republican President, with the Dominion of Canada; the second was the adoption by this House of what is known as the farmers' free-list bill; and the third is the pending measure.

Two objections are urged against the pending measure that deserve attention. They are, first, that the bill is not in conformity with the Democratic platform of 1908 in this, that it fails to place upon the free list articles entering into competition with trust-controlled products; and, secondly, that the bill does not conform to that platform because it fails to place raw wool upon the free list.

The first objection is earnestly urged by the distinguished gentleman from Kansas [Mr. MURDOCK], and, in addressing the House on the 8th of June, he addressed himself particularly to the younger Members, saying:

Let me say to the younger Members in this House: In this House no one can serve two masters. As a rule he can not be loyal to the caucus and loyal to his constituency. If he serves the one truly, he will serve the other falsely. There is nothing in blind obedience to caucus, my friends. It is not good legislation; it is not good representation; it is not even good politics.

I am one of the younger Members to whom this admonition was given. I have no doubt that the distinguished gentleman from Kansas was perfectly sincere in his advice to us, but I can not subscribe to his doctrine. This Government has always been a Government of political parties, and, so long as it continues to be, the party caucus is eminently proper and usually necessary. The complaint is not against the caucus itself, but exists on account of the character of the caucus. I am not astonished that the distinguished gentleman from Kansas opposes and complains of political caucuses, because, if my information is correct, his knowledge is confined to Republican caucuses, and there is just as much difference between a Republican caucus and a good, old-fashioned, genuine Democratic caucus as there is between a "standpat" Republican and the tariff-for-revenue Democrat. [Applause and laughter on the Democratic side.] I would like to ask the distinguished gentleman from Kansas what he finds up to this hour that has been done by the Democratic caucus in this session of Congress that is objectionable to him. The Democratic caucus named the present Speaker of this

House. Aside from his political faith, I am sure the distinguished gentleman can find no fault with the present Speaker, whose every deed and act up to this hour stands without criticism. [Applause on the Democratic side.]

It placed at the head of the Ways and Means Committee the distinguished gentleman from Alabama [Mr. UNDERWOOD], who has the undivided support of every Member on this side of the Chamber and, I know, the profound respect and highest regard of every Member on the other side of the Chamber, and is not only receiving, but richly deserves to receive, the plaudits of the American people for so successfully leading the fight for legislation in the interest of 90,000,000 people. [Applause on the Democratic side.]

The Democratic caucus reduced the cost of conducting this House more than \$182,000 per year. Does the gentleman object to that?

The Democratic caucus approved the Canadian reciprocity agreement. Does the distinguished gentleman from Kansas find any objection to that act?

The Democratic caucus indorsed and recommended for passage the farmers' free-list bill, and last, but not least, among other things, the Democratic caucus was responsible for restoring popular government in this branch of the Congress by depriving the Speaker of the power to name the great standing committees of the House, and thereby destroying the opportunity for one-man rule, which, no doubt, must please the gentleman from Kansas. And I maintain that the caucuses thus far held by the Democrats in this House have been for the good of the people, and deserve commendation rather than criticism.

I fear that the trouble with the gentleman from Kansas is that he does not know or can not understand the inward working of a Democratic caucus, for lack of experience in that direction. Its rules are fair and liberal; no man is gagged and bound by its edict; no man is asked to serve two masters. If his promises to his constituents are not in accord with the decree of the caucus, he is not required to abide by its decision. Without the action of the party caucus a measure of the character now under consideration could never become a law and would fall as easy prey to a minority that would be opposed to a change in Schedule K.

While we are thankful to the distinguished gentleman from Kansas for his kind advice, we must reject it because it is not sound. He complains and urges against the bill that worsted goods are not placed upon the free list and urges it as a violation of the Democratic platform of 1908. He gives facts, figures, and information that clearly establish the existence of the Worsted Trust in this country. This is, indeed, wholesome information, coming from the Republican side of this Chamber. If it were not for conditions which I shall hereafter discuss, I would cheerfully support the proposed amendment of the gentleman from Kansas to place worsteds on the free list, but I want to suggest to the other side of the Chamber, and particularly to the distinguished gentleman from Kansas [Mr. MURDOCK] that the tariff provided for in Schedule K on worsteds is not alone responsible for the existence of that criminal combination of capital. Neither is the Worsted Trust the only trust that exists to-day. The original creation of trusts and monopolies in this country was made possible by reason of the Republican policy of high protective tariff.

Mr. KAHN. Mr. Chairman, will the gentleman yield for a question?

The CHAIRMAN. Does the gentleman yield?

Mr. GOEKE. Yes.

Mr. KAHN. If the tariff is responsible for the trusts, how does the gentleman account for the trusts in England, which is a free-trade country?

Mr. GOEKE. Mr. Chairman, I am not familiar with the conditions over there, but in this country the trouble is that the tariff was originally responsible for their creation, and now by reason of a lack of the enforcement of the law against them they have become a world power and the tariff does not make much difference at the present time, as far as they are now concerned.

Mr. CULLOP. Mr. Chairman, will the gentleman yield?

Mr. GOEKE. Certainly.

Mr. CULLOP. I desire to say that England is not a free-trade country, but has a tariff.

Mr. KAHN. Oh, England, if the gentleman will permit me, is in the same condition as many other countries. England has to have money with which to run the Government, but, as compared with Germany and France and the United States, with their high protective tariffs, England is decidedly a free-trade country, notwithstanding the statement of the gentleman from Indiana. If the gentleman from Indiana will read any of the authorities on trusts, he will find that they all refer to England as a free-

trade country, whether they be living in England, Germany, or France.

Mr. GOEKE. The continuation of these trusts and their present successful operation is due to the failure on the part of the Attorney General and the district attorneys in this country to enforce existing laws against these illegal combinations. In the Standard Oil case the Supreme Court of the United States, in an opinion delivered on the 15th day of May of this year, said:

Recurring to the acts done by the individuals or corporations who were mainly instrumental in bringing about the expansion of the New Jersey corporation during the period prior to the formation of the trust agreements of 1879 and 1882, including those agreements, not for the purpose of weighing the substantial merit of the numerous charges of wrongdoing made during such period, but solely as an aid for discovering intent and purpose, we think no disinterested mind can survey the period in question without being irresistibly driven to the conclusion that the very genius for commercial development and organization which it would seem was manifested from the beginning soon begot an intent and purpose to exclude others which was frequently manifested by acts and dealings wholly inconsistent with the theory that they were made with the single conception of advancing the development of business power by usual methods, but which, on the contrary, necessarily involved the intent to drive others from the field and to exclude them from their right to trade and thus accomplish the mastery, which was the end in view. And, considering the period from the date of the trust agreements of 1879 and 1882, up to the time of the expansion of the New Jersey corporation, the gradual extension of the power over the commerce in oil which ensued, the decision of the supreme court of Ohio, the tardiness or reluctance in conforming to the commands of that decision, the method first adopted and that which finally culminated in the plan of the New Jersey corporation, all additionally serve to make manifest the continued existence of the intent which we have previously indicated and which, among other things, impelled the expansion of the New Jersey corporation. The exercise of the power which resulted from that organization fortifies the foregoing conclusions, since the development which came, the acquisition here and there which ensued of every efficient means by which competition could have been asserted, the slow but resistless methods which followed by which means of transportation were absorbed and brought under control, the system of marketing which was adopted, by which the country was divided into districts and the trade in each district in oil was turned over to a designated corporation within the combination and all others were excluded, all lead the mind up to a conviction of a purpose and intent which we think is so certain as practically to cause the subject not to be within the domain of reasonable contention.

The inference that no attempt to monopolize could have been intended, and that no monopolization resulted from the acts complained of, since it is established that a very small percentage of the crude oil produced was controlled by the combination, is unwarranted. As substantial power over the crude product was the inevitable result of the absolute control which existed over the refined product, the monopolization of the one carried with it the power to control the other, and if the inference which this situation suggests were developed, which we deem it unnecessary to do, they might well serve to add additional cogency to the presumption of intent to monopolize which we have found arises from the unquestioned proof on other subjects.

In the Tobacco Trust case, the Supreme Court, on May 29 of this year, said:

Considering, then, the undisputed facts which we have previously stated, it remains only to determine whether they establish that the acts, contracts, agreements, combinations, etc., which were assailed were of such an unusual and wrongful character as to bring them within the prohibitions of the law. That they were, in our opinion, so overwhelmingly, results from the undisputed facts that it seems only necessary to refer to the facts as we have stated them to demonstrate the correctness of this conclusion. Indeed, the history of the combination is so replete with the doing of acts which it was the obvious purpose of the statute to forbid, so demonstrative of the existence from the beginning of a purpose to acquire dominion and control of the tobacco trade, not by the mere exertion of the ordinary right to contract and to trade, but by methods devised in order to monopolize the trade by driving competitors out of business, which were ruthlessly carried out upon the assumption that to work upon the fears or play upon the cupidity of competitors would make success possible. We say these conclusions are inevitable, not because of the vast amount of property aggregated by the combination, not because alone of the many corporations which the proof shows were united by resort to one device or another. Again, not alone because of the dominion and control over the tobacco trade which actually exists, but because we think the conclusion of wrongful purpose and illegal combination is overwhelmingly established.

Leading as this does to the conclusion that the assailed combination in all its aspects—that is to say, whether it be looked at from the point of view of stock ownership or from the standpoint of the principal corporation and the accessory or subsidiary corporations viewed independently, including the foreign corporations in so far as by the contracts made by them they became cooperators in the combination—comes within the prohibitions of the first and second sections of the antitrust act, it remains only finally to consider the remedy which it is our duty to apply to the situation thus found to exist.

The law under consideration in these two cases, and especially the two sections involved, reads as follows:

SECTION 1. Every contract, combination in the form of trust or otherwise, or conspiracy in restraint of trade or commerce among the several States, or with foreign nations, is hereby declared to be illegal. Every person who shall make any such contract, or engage in any such combination or conspiracy, shall be deemed guilty of a misdemeanor, and, on conviction thereof, shall be punished by fine not exceeding \$5,000 or by imprisonment not exceeding one year, or by both said punishments, in the discretion of the court.

SEC. 2. Every person who shall monopolize, or attempt to monopolize, or combine or conspire with any other person or persons to monopolize, any part of the trade or commerce among the several States or with foreign nations shall be deemed guilty of a misdemeanor, and on conviction thereof shall be punished by fine not exceeding \$5,000 or by imprisonment not exceeding one year, or by both said punishments, in the discretion of the court.

I want to inquire of the distinguished gentleman from Kansas [Mr. MURDOCK] whether, in view of the decision convicting all conspirators involved in the violation of the Sherman antitrust law in these two cases, he is not convinced that the true remedy for relief in behalf of the people lies rather in an honest enforcement of the antitrust law, and especially the criminal feature of that law, than it does in the mere placing of trust-made articles upon the free list? I want to inquire why it is that he seeks to criticize the Democratic position when it approaches, as nearly as the condition of the Public Treasury will permit, the placing of these articles upon the free list, putting them in the competitive class, and is absolutely silent as to the failure of the Republican officials to properly enforce the laws against these criminal combinations? I assert that it is the Republican high-protective policy that created these trusts and the absolute glaring failure of the Attorney General's department and the several district attorneys throughout the country in enforcing the law that is responsible for their continued existence. I have no sympathy with the statesmen or the individuals who have been engaged in glibly criticizing and in some quarters denouncing the court for its decision in these cases.

The Democratic Party has always been a party of law and order. To maintain law and order in this country and under our form of government, it is essentially necessary to bow with respect to the final judgment of the courts. The American people know that the courts are the bulwarks of American liberty and that the safety of life, property, and the home depend upon maintaining the law and observing wholesome respect for the judgment of the courts. If the law as interpreted by the courts is wrong, the remedy lies with the Congress; if a judge acts corruptly, the law points out the mode to be pursued to dispense with his services; but the practice of openly traducing and denouncing their judgment must and can only lead to discontent in the Republic, spread the seeds of anarchy, and, if persisted in and long continued, destroy the very foundations upon which the perpetuity of our Government depends.

It is less than a year since a once-popular President of the United States traveled around over the States of this Republic viciously denouncing and criticizing a Federal judge and courts in general, and he received an answer from the people. He indulged in that practice in the State of Indiana, and the election returns contained the answer. He indulged in the same practice in the State of Ohio, and there the people, by over 100,000 majority, sent him a message that they did not want any of that doctrine. And so with many other States in which he recklessly attacked the courts. This example, of so recent a date, ought to convince any fair-minded man that the American people have not yet reached the stage where they are willing to submit the safety and security of their homes, their property, and their liberties for determination by appeal to the mob.

Final power in a Government like ours must rest somewhere. Our forefathers, in their wisdom, placed that final power in the Supreme Court of our land, which, in my judgment, is the greatest judicial tribunal in the world. This respect that is due the courts is not reverence for the personnel of the court, but it is reverence for their great constitutional power, the exercise of which should and must under all circumstances be upheld by the American people. The sober second thought and the calm and careful consideration of the decisions of the Supreme Court in the Standard Oil and Tobacco Trust cases will easily vindicate the correctness of them. When their scope and effectiveness is once fully understood by the people of this country the greatness of these decisions and the wonderful legal learning they contain will readily place them among the most celebrated decisions that have ever been rendered by that court, and will prove to the utmost satisfaction of the American people that the highest court of this land has, in fact, been their friend and benefactor rather than the friend and protector of special privileges and illegal combinations.

Do not be deceived by the declaration that the trusts and monopolies are satisfied with these decisions. These two decisions spell the "death knell" of trusts and monopolies in America. Under their sweeping terms every trust and monopoly in America can be driven out of existence. The court in these cases has blazed the way to the ultimate extermination of these gigantic combines, and it has pointed the road to the graveyard for trusts and monopolies and has started the funeral march with Standard Oil heading the procession.

Where, then, lies the difficulty, and what is the remedy? The difficulty seems to be that the Attorney General and the various District Attorneys of this country are suffering from "Special Privilege Paralysis." For 16 long years the Republican Party has been in absolute control of all the departments of this Government. During all this time the Sherman antitrust law has been in full force and effect. It has been a matter of common knowledge that the great gigantic combines

of this country were violating the criminal and civil provisions of this law. Nearly 30 days have passed since the highest court in this land convicted two of these trusts of violating the provisions of the law, and yet not a single man who has violated the provisions of this law has been indicted and prosecuted in the cases referred to. What is needed is a vigorous prosecution under the criminal provisions of this antitrust law, with a view of punishing the individual who is back of these corporations, instead of the corporation itself. It has long been the established practice of the Republican Party to protect the real offender against this and similar laws. Six years ago, when Theodore Roosevelt was President of the United States, he appointed Judson Harmon, now the great governor of a great State [applause on the Democratic side], and Frederick W. Judson, through the Department of Justice, to investigate the charge of rebating against the Atchison, Topeka & Santa Fe Railway Co. They traced the rebating to Paul Morton, an official of the railway company and at the time of the investigation a member of President Roosevelt's Cabinet as Secretary of the Navy.

It was after this disclosure that President Roosevelt made the acrobatic ruling that the corporations only should be held responsible for the criminal offenses of its officials or agents instead of holding the individual responsible. When they were not permitted to proceed personally against officials of this railway company for rebating, as that would have involved a member of the President's Cabinet, Mr. Harmon and Mr. Judson, realizing that they had discharged their duty and could go no further, in a letter to the then Attorney General, W. H. Moody, dated June 5, 1905, retired from the case, and, among other things in their letter of resignation, said:

What we have said is true of all great corporations of our day. They can not be imprisoned, and punishment by fine is not only inadequate, but reaches the real culprits only lightly, if at all. The evils which we have now to fight are corporate in name, but individual in fact. Guilt is always personal. So long as officials can hide behind their corporations no remedy can be effected. When the Government searches out the guilty men and makes corporate wrongdoing mean personal punishment and dishonor, the laws will be obeyed.

[Applause on the Democratic side.]

And yet, with this remarkable document on file in the Attorney General's office of this Government, he has failed to move a hand or to take any steps toward inflicting punishment upon the violators of the law in the Standard Oil and Tobacco Trust cases and numerous other cases, but permits these already convicted criminals to live in pleasure and comfort in their palaces by the seaside, built and paid for with the money that these criminals have filched from the pockets of the American people. [Applause on the Democratic side.] Do the Members on the other side of this Chamber deny that if there had been a wholesome, vigorous, and determinate enforcement of the laws against the individuals who have organized and conducted these criminal combines by the Attorney General and the several district attorneys of the United States, their destruction would have been accomplished years and years ago?

Such prosecutions would have driven everyone of them to the rocks and restored honest, old-fashioned competition and made hundreds of business men out of men that are now mere clerks in these combines and prevented the outrages so long inflicted upon the people. It is already suggested and proposed by high Republican authority and great statesmen in that party that the true remedy lies in providing a law for the incorporation of these gigantic outlaws by the National Government, thereby legalizing and vitalizing their very existence and placing a premium upon years and years of open-handed piracy and robbery. The correct solution for the future conduct of the industries involved in these gigantic combines, which will preserve the industries themselves but destroy the method of conducting them, is pointed out by the Democratic platform of 1908, which is as follows:

A private monopoly is indefensible and intolerable; we therefore favor the vigorous enforcement of the criminal law against guilty trust magnates and officials and demand the enactment of such additional legislation as may be necessary to make it impossible for a private monopoly to exist in the United States. Among the additional remedies we specify three: First, a law preventing duplication of directors among competing corporations; second, a license system which will, without abridging the right of each State to create corporations or its right to regulate as it will foreign corporations doing business within its limits, make it necessary for a manufacturing or trading corporation engaged in interstate commerce to take out a Federal license before it shall be permitted to control as much as 25 per cent of the product in which it deals, the license to protect the public from watered stock and to prohibit the control by such corporation of more than 50 per cent of the total amount of any product consumed in the United States; and, third, a law compelling such licensed corporations to sell to all purchasers in all parts of the country on the same terms, after making due allowances for cost of transportation.

If legislation in line with this doctrine is enacted the industries themselves will be preserved, honest and legitimate business industries will be protected, labor will find continuous em-

ployment, and trusts and monopolies will be impossible. The Democratic Party never has and does not now advocate the destruction of honest business, no matter how prosperous it may be; it does not favor a policy that means ruin of business, hunger and starvation for the laborer, or the destruction of any legitimate industry; but it does insist and will ever continue to insist, until relief is afforded, that the trusts and monopolies must go. Special privilege must not be countenanced in our Government nor be permitted longer to direct the destiny of this Republic. The campaign to evade the Democratic theory of dealing with the trusts and monopolies has already begun in the ranks of the Republican Party, and the head of the United States Steel Trust is in hearty and earnest sympathy with the once popular Republican ex-President, who is the real champion of the centralization of all power in the National Government.

The second objection urged against the bill, that it does not conform to the Democratic platform on account of its failure to place raw wool upon the free list, comes rather in the form of ridicule from the other side of the Chamber than from a desire to have raw wool placed upon the free list. I maintain that the duty of 20 per cent upon raw wool, as fixed in the bill under consideration, is not a violation of any Democratic platform promise. The history of the party shows that in former tariff legislation raw wool has at times been taxed and at times been placed upon the free list. No Democratic national convention has in recent years directed that raw wool should be placed upon the free list, but, even if it were true that the party had always advocated the placing upon the free list of raw wool, yet in view of the fact that the present measure contemplates but a partial revision of the tariff, because the other branch of the Congress and the White House are in control of the Republican Party, we could not hope to pass a bill that placed raw wool upon the free list. And again, it must be admitted by all sensible men that to place raw wool upon the free list at this time would result in a deficit in the National Treasury, which would create distrust among our people and result in much greater harm than the benefit that would come from free raw wool.

The safe legislator never speculates in the Government's financial affairs. If he does it in his own affairs, he alone suffers the consequences if he makes a mistake; but when he is conducting the financial affairs of a great Government he can not afford to speculate on revenues, for if he makes a mistake the injury would not be to him alone, but to all the people alike. The Republican minority in this Congress is clearly disappointed because we have been wise enough not to place raw wool upon the free list, as they had hoped we would do. Had we done so, the cry would have gone out all over this country that the Democratic Party is advocating a measure that would certainly destroy the ability of the Government to meet its honest obligations and resort to their old cry that when the Democrats are placed in power they are unable, on account of a lack of wise statesmanship, to properly conduct the affairs of the Government. It must not be forgotten that the business world is very sensitive, that as soon as a deficit becomes apparent in the National Treasury there is a loss of confidence in the business world, the wheels of industry stop, commerce lags, trade becomes paralyzed, and a panic results in short order. If the Democratic Party in this Congress would be guilty of supporting a measure that would bring about such a state of affairs, their continuance in power would be brief, and the Republican Party, in full partnership with special privilege and the money power, would again march to certain victory in 1912. The people of this country do not expect the Democratic Party to remedy all the ills and wrongs, from which they are now suffering on account of Republican misrule, in one or two years. All they ask is that we keep the faith and act honestly in behalf of their interests. They do not want us to destroy business prosperity, neither are we going to do so. We are bent upon bringing about reform through progressive legislation, and step by step, though it may take several years, restore equal rights to the people of our land. I maintain that this bill complies in spirit, under existing conditions, with the Democratic doctrines of the past as well as the Democratic platform of 1908, and if enacted into law by the other branch of this Congress and the President it would result in untold good to the American people and clearly demonstrate that their judgment of the Payne tariff law, as expressed in the last election, was absolutely correct.

The second attack on the Republican protective-tariff system may be found in what is known as the farmers' free-list bill, recently passed by this House. This measure was vigorously opposed by the "stand-pat" Republicans in this Chamber. This measure was drawn for the purpose of giving the American farmer that which the Republican Party has for so many years

withheld from him, namely, a right to buy the implements which he uses upon the farm in a competitive market rather than to be forced to buy them at prices fixed by the trusts in this country. The articles thus placed upon the free list are as follows:

Plows, tooth and disk harrows, headers, harvesters, reapers, agricultural drills and planters, mowers, horse-drawn cultivators, threshing machines and cotton gins, farm wagons and farm carts, and all other agricultural implements of any kind and description, whether specifically mentioned herein or not, whether in whole or in parts, including repair parts.

Bagging for cotton, gunny cloth, and all similar fabrics, materials, or coverings, suitable for covering and baling cotton, composed in whole or in part of jute, jute butts, hemp, flax, seg, Russian seg, New Zealand tow, Norwegian tow, aloë, mill waste, cotton tares, or any other materials or fibers suitable for covering cotton; and burlaps and bags or sacks composed wholly or in part of jute or burlaps or other material suitable for bagging or sacking agricultural products.

Hoop or band iron, or hoop or band steel, cut to lengths, punched or not punched, or wholly or partly manufactured into hoops or ties, coated or not coated with paint or any other preparation, with or without buckles or fastenings, for baling cotton or any other commodity; and wire for baling hay, straw, and other agricultural products.

Grain, buff, split, rough and sole leather, band, bend, or belting leather, boots and shoes made wholly or in chief value of leather made from cattle hides and cattle skins of whatever weight, of cattle of the bovine species, including calfskins; and harness, saddles, and saddlery, in sets or in parts, finished or unfinished, composed wholly or in chief value of leather; and leather cut into shoe uppers or vamps or other forms suitable for conversion into manufactured articles.

Barbed fence wire, wire rods, wire strands or wire rope, wire woven or manufactured for wire fencing, and other kinds of wire suitable for fencing, including wire staples.

Beef, veal, mutton, lamb, pork, and meats of all kinds, fresh, salted, pickled, dried, smoked, dressed or undressed, prepared or preserved in any manner; bacon, hams, shoulders, lard, lard compounds and lard substitutes; and sausage and sausage meats.

Buckwheat flour, corn meal, wheat flour and semolina, rye flour, bran, middlings, and other offals of grain, oatmeal and rolled oats, and all prepared cereal foods; and biscuits, bread, wafers, and similar articles not sweetened.

Timber, hewn, sided, or squared, round timber used for spars or in building wharves, shingles, laths, fencing posts, sawed boards, planks, deals, and other lumber, rough or dressed, except boards, planks, deals, and other lumber, of lignum-vitæ, lancewood, ebony, box, granadilla, mahogany, rosewood, satinwood, and all other cabinet woods.

Sewing machines, and all parts thereof.

Salt, whether in bulk or in bags, sacks, barrels, or other packages.

The measure was adopted by this House, many Republicans, recognizing the fairness of its provisions, voting for it. If this measure becomes a law, which we hope it will, it will afford the American farmer, who has been for years and years selling the products of his farm in the markets of the world, an opportunity to buy these articles in the market of the world as well.

The first attack made by the Democratic majority in this House on the citadel of protection was the passage of the bill approving what is known as the "Canadian reciprocity agreement." This measure is clearly a reduction of tariff duties between this country and Canada and, while rather crude in its provisions, yet there is contained therein sufficient in the way of tariff reduction to show that in its creation Democratic principles were resorted to and that in two particulars, at least, it is a direct attack on two great trusts, the Lumber and Paper Trusts. For these reasons the majority in this Chamber complied with the President's request, authorizing him to conclude this trade agreement with Canada. Speaking for myself, I can not say that I am at all confident that this so-called reciprocity agreement will result in any great immediate benefit to the American people. The district that I have the honor to represent is what may be termed an agricultural district. Fortunately, the farmers of that district have for years and years known that the tariff on wheat and farm products was a fraud and a delusion, held up as an inducement to procure Republican votes on election day, and that it was, in fact, of no substantial benefit to them. The farmers in my district also know and understand that the contract relative to reciprocal trade relations with Canada can not affect the price of farm products. The "standpat" Republicans in this Chamber press their opposition to Canadian reciprocity largely because they claim that it would result in reducing the price of wheat, and that, too, in the face of the fact that the American farmer has for years and years been obliged to sell his wheat in the market of the world, which fixes the price of wheat. If we consider the statistics for the past five years on the importation and exportation of farm products to and from Canada, it will be seen that the American farmer has had the balance of trade in his favor for many years and can not, therefore, be injured by reason of the agreement.

The figures furnished on this question by the distinguished gentleman from Missouri [Mr. SHACKLEFORD], one of the Democratic members of the Ways and Means Committee, have never been disputed, and I call attention to them, because a careful consideration of them must necessarily convince any fair-minded citizen that the opposition to the Canadian reciprocity treaty, based on the argument that it would injure the

price of farm products, is neither sound nor sincere. These figures show that Canada buys more of the products of our farmers each year than we buy of them. The figures furnished by the distinguished Member from Missouri are as follows:

For the last 5 years, ending June 30, in spite of the tariff obstructions, in goods of kinds—

We sold to Canada	\$886,417,376
Canada sold to us	393,913,673
Difference in our favor	492,503,703

Horses:

We sold in Canada	14,172,075
Canada sold to us	2,549,201
Difference in our favor	11,622,874

Cattle:

We sold in Canada	1,578,179
Canada sold to us	1,193,796
Difference in our favor	384,383

Breadstuffs:

We sold in Canada	31,596,556
Canada sold to us	6,679,844
Difference in our favor	24,916,712

The above figures clearly demonstrate that the balance of trade with Canada is greatly in our favor, in view of which it is impossible for Canadian reciprocity to injure the American farmer. President Taft, in a speech recently delivered in Chicago, clearly set out his views with respect to the effect that reciprocity with Canada would have upon the American farmer, which are worthy of reproduction. He said:

How is the farmer to be affected by Canadian reciprocity and free trade in agricultural products? Canada is so far north that her agricultural products are practically limited to wheat, rye, barley, oats, potatoes, live cattle, horses, and dairy products. She can not and does not raise more than one-sixth of 1 per cent of the corn crop of the United States. She raises no cotton; she raises but few vegetables; she raises but few hogs, because she has not the corn to feed them with; she is at present a great importer of all fruits, citrus and otherwise, from the United States; she imports a large amount of cottonseed oil, which by the Canadian reciprocity treaty is now made free; she can not fatten cattle as they are fattened in the United States, and therefore it has become very profitable for American farmers to import young cattle from Canada even with the duty on them and to fatten them for the Chicago market. The United States imports into Canada a great many more horses than she exports from the Canadians. She sends to Canada a much larger amount of potatoes than she receives from her. The United States imports into Canada about 15 times as much of meat and dairy products as Canada imports into the United States.

The only real importation of agricultural products that we may expect from Canada of any considerable amount will consist of wheat, barley, rye, and oats. The world price of these four cereals is fixed abroad, where the surplus from the producing countries is disposed of, and is little affected by the place from which the supply is derived. Canadian wheat nets, perhaps, 10 cents less a bushel to the producer than wheat grown in the Dakotas or in Minnesota, due to the fact that the cost of exporting that wheat and warehousing it and transporting it to Liverpool is considerably greater than the cost to the Dakota farmer of disposing of his wheat to the millers of Minneapolis or sending it abroad. If, now, the duty is to be taken off of wheat and the Canadian wheat can come to the millers of Minneapolis and other places, it can and will be made into flour, because the capacity of the American mills is 33 per cent greater than is needed to mill the wheat of this country. Canadian wheat can be imported and ground into flour without materially reducing the demand for or price of American wheat and the surplus will be sent abroad as flour. The price of Canadian wheat will doubtless be increased a few cents by access to the market nearer at hand, but the access to the market nearer at hand will not reduce the price of his wheat to the American farmer, for the reasons stated.

A very material benefit to all the farmers of the country, especially the stock and cattle raisers and the dairy farmers, will be the by-products of bran and shorts from the flour mills likely to follow the free export of wheat from Canada to those mills. These by-products are now so scarce and so high priced that many farmers are unable to procure them.

What is true of wheat is true of the other cereals. The trade between Canada and the United States can not but increase the sale of agricultural products across the border both ways to nearer markets than they now reach in many instances. The trade will be beneficial to both the seller and the buyer. It will not, in my judgment, reduce the price of wheat or other farming products for our people in any marked way.

Speaking for myself, I am convinced, after considering all the arguments for and against reciprocity with Canada, that it will have the effect of preventing, in a measure, at least, the further increase of the cost of living in this country; that by taking down, to an extent, at least, the useless and unnatural high-tariff wall that now exists between these two contiguous countries, inhabited by people that are much alike in their habits, customs, and mode of living, the door to greater opportunity will be opened to the people of both Canada and the United States.

Mr. Chairman, when the pending bill is passed by the Democrats in this House, which it will be in a few days, it will be another evidence of our determination to bring about an intelligent revision of the tariff downward. It will have a marked effect in reducing the cost of living by destroying the outrages

of the wool tariff as fixed by the Payne law; it will further demonstrate that we are able to conduct the legislative affairs of this great Government, and merit the confidence of the American people. We are proud of the record made by the Democrats in this Congress thus far, and we have a right to be proud of that record. We have kept the faith. We have already accomplished great things; we hope to accomplish more. In addition to the attacks made upon the high protective-tariff system, which I have heretofore discussed, we have accomplished other things. We have adopted a resolution submitting to the States for ratification a constitutional amendment providing for the election of United States Senators by the popular vote. We have brought about such changes in the rules of the House as are necessary for the thorough and intelligent consideration of measures for the public good. We have enacted into law a measure providing for the publication of campaign contributions and disbursements before the election. We have passed the measure providing for the admission of both Arizona and New Mexico as States.

These are all measures that the American people want, and we responded to their will. We have already turned the searchlight upon the public service in the various departments of this Government. We are looking into the books to ascertain whether for every dollar spent by the Government it receives its equivalent in service. We are going to investigate rigidly, carefully, but fairly, and before this Congress is concluded we hope to be able to furnish the American people an exact account of what has been done with their money. We are pledged to bring about economy in the administration of the affairs of the Government; we shall spare no time or labor in bringing this about. We have already checked to a great extent the influence and power of special privilege and the corporate interests in the affairs of the Government; we are going to drive them out completely. We intend to demonstrate to the American people that the Republican Party of to-day is no longer the Republican Party of Lincoln, Garfield, and McKinley, but that it is the obedient servant of special privilege and plutocracy. We are bent on convincing the people that it will be to their interest to extend the limited grant of power they have given us so that complete control of the legislative and executive branches of the Government will be placed in our hands.

Mr. Chairman, Ohio now occupies 16 seats on this side of the Chamber. We are confident that not only will we retain them in the next Congress, but that we will increase the number [applause on the Democratic side] and, in addition thereto, contribute the electoral vote of that great Commonwealth to the election of a Democrat who is able, competent, and determined to lead the battle for genuine reform to the end that all public servants shall at all times respond to the will and wishes of the people, thereby again making this a Government of the people not only in name, but in fact as well. [Applause on the Democratic side.]

Mr. UNDERWOOD rose.

Mr. KAHN. Mr. Chairman, will the gentleman yield to me for a moment?

Mr. UNDERWOOD. I can not. Mr. Chairman, I yield 30 minutes to the gentleman from Georgia [Mr. HOWARD].

Mr. HOWARD. Mr. Chairman, at this extra session of Congress I did not intend to inflict myself upon my colleagues by making a speech upon any particular subject that might come up for discussion.

My reason for this good intention was that I had absolute faith in the ability and statesmanship of the older Members of this House who have fought such a gallant fight under the banner of Democracy for the masses of the people for the last 13 years. [Applause on the Democratic side.]

As an humble citizen of this great Republic, I have had nothing but admiration for the leaders of this side of the House.

Under the matchless leadership of that distinguished Democrat who so ably and impartially presides over the deliberations of this House [applause on the Democratic side], I saw what looked to be a disorganized and hopeless minority converted into the greatest "fighting machine" America has ever seen; and I saw this magnificent minority, working with the power and precision of a great Corliss engine, develop into a great Democratic majority of earnest, alert, and conscientious Democrats, who move in unity as one man for the upbuilding of the fortunes of America and the freedom of its masses from the rule of Republicanism and privilege. [Applause on the Democratic side.]

This master of Democratic principles, this champion of the people's cause who asked or gave no quarter when the interests of the masses of the people were at stake, this man whose heart and mind have been devoted to his people, is justly entitled to and richly deserves the highest honor within the gift of the

American people, whom he has served so faithfully, so consistently and devotedly. [Applause on the Democratic side.]

For the reason that this discussion so far has been along a technical line, dealing with the technicalities of duties upon the different grades of the manufacture of wool, I have intruded upon the House not for the purpose of discussing all phases of this bill, but to devote the time so generously allotted to me by the distinguished gentleman from Alabama [Mr. UNDERWOOD] to the relation of the American laborer and farmer to the manufacturing industries of the United States.

Schedule K has been formally arraigned before the bar of public opinion and condemned for its infamy, and it needs no accuser, and upon the principles of justice no one can defend it.

Mr. Chairman, there is one noticeable thing about every speech made by the gentlemen on the other side of the aisle. They are always apparently very solicitous about the welfare of the American wage earner when it comes to a reduction on the tariff on any of the products of their pet industries.

I stand here and ask for the American wage earner one question. It is this: Why do they not show their love for him by their works? In their 13 years of absolute and unmolested control they have raised the tax rate on every man, woman, and child in the United States from \$4.85 to \$7.35 per capita. They loved him so well that they taxed him \$2.50 per head more under Republican rule than he was taxed under Democratic rule. [Applause on the Democratic side.]

PER CAPITA TAXATION.

The population of the country in 1890 was 62,947,000; in 1900 it rose to 75,994,000, or an average annual increase of 1,294,000.

On this basis the estimated population in 1897 was 72,005,000. The Statistical Abstract estimates it at 71,592,000.

The receipts from taxation in that year were:

From customs.....	\$176,554,127
From internal revenue.....	146,688,574
Total.....	323,242,701

On the larger basis the per capita taxation for customs and internal revenue was \$4.48 and on the smaller \$4.51.

On the basis of 72,005,000 population the per capita taxation on—

Customs and internal revenue was.....	\$4.48
On customs alone.....	2.45
On internal revenue alone.....	2.05

The population in 1910 was 92,000,000. The receipts from taxable sources were:

From customs.....	\$333,683,000
From internal revenue:	
Ordinary.....	268,981,000
Corporation tax.....	20,951,000
Total.....	623,615,000

The per capita tax in 1910 was:

On customs and internal revenue.....	\$6.77
On customs alone.....	3.62
On internal revenue alone.....	2.92
On corporation tax alone.....	.23

Comparison of per capita taxation.

	1897	1910
Customs and internal revenue.....	\$4.48	\$6.77
Customs.....	2.45	3.62
Internal revenue.....	2.05	2.92
Corporation tax.....		.23

Every time they open their mouths on the other side of this Chamber they say something about the farmer or the industrial toiler. The best way to prove their attitude to the masses is to show how their protected industries pay them for their toil and their products.

One of the greatest leaders the Republican Party ever had was the Hon. James G. Blaine. He said in this very Chamber what none of you gentlemen have admitted:

That the actual labor cost of the American product is less, because the effectiveness of the American laborer is superior to that of the workman of any other nation on earth.

Mr. Blaine was fair enough and frank enough to say what the Republicans of this House are not fair or frank enough to admit: That they want protection just for the sake of protection and the benefit accruing to the manufacturing industries.

This statement is verified by the following table, compiled by Prof. William G. Clark from official data showing the com-

parative productivity of American labor with that of other countries for the year 1900:

Average annual output.	
American	\$2,450
Canadian	1,455
Australian	900
French	640
English	556
German	460

If additional verification of the productivity of American labor as compared with other labor is required, I desire to call attention to the fact that 900,000 employees in the coal mines of Great Britain in 1910 produced 296,008,816 tons of coal, or 329 tons per man, while 700,000 employees in the United States in the same year produced 499,273,684 tons, or 713 tons per man.

If this statement by Prof. Clark even approaches authenticity, is the American laborer actually paid as much as the English laborer, who produces by reason of his inefficiency four and one-half times less for his employer than the American?

The average yearly wage of the American laborer is \$437 to support three people to the family, or \$8.60 per week; and in every country in Europe the laborer can purchase with \$5.73 as much food and clothing as the American purchases with his \$8.60 in the protected markets of this country.

Mr. Chairman, for the enlightenment of some of my distinguished friends on the other side of the House I desire to give statistics of accuracy as of the condition of the American wage earner from the Census Bureau report on manufactures of 1905:

[Census Bureau report on manufactures, 1905.]

Number of establishments	216,262
Capital	\$12,686,000,000
Wage earners	5,470,321
Wages paid	\$2,611,540,000
Cost of materials	\$8,503,949,000
Value of product	\$14,802,147,000
Average yearly wage, 1905	\$477
Average yearly wage, 1900	\$437
Average yearly wage, 1890	\$444
Average daily wage (310 days)	\$1.54
Average daily wage (365 days)	\$1.30
Labor's share of product	per cent. 17.6
Labor added to materials	\$6,299,000,000
Labor's share of value added	per cent. 41.4
Capital's share of value added	58.6
Living increased, 1897-1909 ¹	49
Wages increased in money, \$33 a year, or	7.4
Wages increased (specified industries)	23
Average cost of food per workingman's family, 1897 ²	\$209.24
Average food cost:	
1907 ²	\$374.75
1910 ²	\$392.00
Money increase of food cost	per annum. 892.76
Wage increase in money	per annum. \$33.00
Wages increased	per cent. 7.4
Food cost increased	do. 31
Cost of living increased fourfold over wages.	

This old "wolf cry" of their party can no longer fool the American laborer. They make a "spread-eagle" cut speech on this floor and scatter it broadcast over the land, talking about protective tariff being necessary to protect American labor against the "pauper labor" of Europe. At the very moment their magnanimous speech is falling from their lips on this floor their pet industries have got their agents scattered all over Europe, raking it with a fine-tooth comb, bringing in this "pauper labor" they howl so much about when building a tariff wall at the rate of 100,000 per month to compete with the patriotic, honest, and intelligent American toilers. [Applause on the Democratic side.]

With the exception of this outrageous schedule with which our party is now dealing, the most favored industry of Republican beneficence is the Steel Trust.

When they were giving this industry its outrageous right to tax the American farmer on his farm implements and the American people generally on the products of this gigantic trust, builded upon tariff profits unjustly filched from the pockets of the American consumer, they said that they must have it because of its infancy—it was still on the "milk diet." [Applause on the Democratic side.] But, above all, it should be protected because it employed more laborers than any other one industry in this country, and they must be protected from the "pauper labor" of Europe.

The Pittsburg Survey gave a tabulated map showing that the Carnegie mills at Homestead employ 18,711 of these "paupers," consisting of Slovaks, Poles, Bohemians, Hungarians, Roumanians, and so forth. You will probably remember that this protected industry used the military to drive American organized labor from its gates. [Applause on the Democratic side.]

The gentleman from Illinois [Mr. MANN], with much vehemence and with the expenditure of a great amount of gesticulative energy, spoke about the "pauper labor" in the woolen industry of Europe.

I challenge their side of the House to go to New England and take an inventory of the operatives in the mills and see how many American operatives they will find.

The Boston Traveler of June 2, 1909, in its ridicule of the speech delivered by the senior Senator from Massachusetts [Mr. LODGE], said:

He made an impassioned plea for the mill operatives of New England, who must not be deprived of their right to work and wages, and for the manufacturer, who must be protected against the cheap labor abroad. The mill operatives for whom the Senator's eloquence was unloosed are practically all Greeks, Syrians, Armenians, Poles, and Italians, who have driven out every other kind of labor because, under present wages in the mills, to bring up a family is impossible.

Mr. LODGE's defense for the cotton manufacturers whose mills are filled with aliens on starvation wages is paralleled in history only by the argument made in Parliament at the time England was attempting to abolish the slave trade—that if the bringing of black people from Africa to America and elsewhere was prohibitive, shipowners would not find any use for their vessels, and that these slave ships furnished the only market for decayed fish and other putrid food, on which there would be a dead loss if the slave trade was outlawed.

Mr. Chairman, if they want to protect the American laborer, why is it they did not make the Immigrant Bureau self-sustaining by placing a head tax of not less than \$10 per head upon every alien entering into the United States? Would that not be better than taxing the laboring people of this country \$2,000,000 per annum to meet a deficit in this department? They have been so eager to bring this "pauper labor," as they so pertly term it, into this country that they have actually failed to make it pay its own expenses, and they tax the industrial toiler to maintain a department established for taking bread and meat out of the mouths of his wife and children. I ask them again, Why have they failed to build a tariff wall around the brain, the muscle, the intelligence and the patriotism of the American-born industrial toiler, who loves his flag next to his child, who worships freedom next to his God, and who, when his country is imperiled by an attack from without, leaves his toil, leaves his wife, leaves his child, and shoulders his gun to fight the battles of his country while their tariff barons are being treated for the gout at Carlsbad or are cruising in their palatial yachts upon the silvery waters of the Mediterranean Sea? [Applause on the Democratic side.]

By their love for the American toiler they have made it possible by combinations between American industries and the steamship companies for this "pauper labor" to land on our shores at from \$8 to \$60 cheaper than in any country in the world.

Talk about protecting the American industries from the "pauper labor" in Europe when they are using the same sort of labor here that the foreign manufacturer is using there [applause on the Democratic side], and to prove this I submit a report from the Census Bureau showing the foreign population of the States in which these manufacturing industries were founded and fostered:

Table of foreign born, etc.
[Census 1900, Vol. I.]

	Foreign born (cxxx).	White population foreign parentage (p. 698).	Total foreign born and of foreign-born parentage.	Total population.	Percentage of population foreign born and of foreign-born parentage.
Massachusetts	846,324	897,386	1,743,710	2,805,346	62.1
Rhode Island	134,519	140,292	274,811	428,556	64.1
Connecticut	238,210	282,245	520,455	908,420	57.3
New York	1,900,425	2,415,845	4,316,270	7,268,894	59.3
New Jersey	431,831	556,294	988,125	1,883,669	52.4
Pennsylvania	985,250	1,420,028	2,415,278	6,302,115	38.3

It will be seen by the table which I submit that Massachusetts has 1,743,710 persons foreign born or of foreign-born parentage out of 2,805,346 total population, having therefore 62.1 per cent of people who are foreign born or of foreign-born parentage; Rhode Island, in like manner, has 64.1 per cent of its population foreign born or of foreign-born parentage; Connecticut has 57.3 per cent of foreign born or of foreign-born parentage; New York has 59.3 per cent of its people foreign born or of foreign-born parentage; New Jersey has 52.4 per cent of its population foreign born or of foreign-born parentage; thus disclosing in the completest manner the extent to which this use of foreign labor has driven out the American.

¹ Dun's Review.

² Bureau of Labor.

This table illustrates the policy of the Republicans toward the American wage earner. They want a country overflowing with laborers, which necessarily lowers the wage scale and causes the competition to be sharp, but when you seek to apply this standard of measurement to their products they declare it means ruination to their industries.

Is there a surplus of labor in this country? The only manner by which this question can be answered is by the number of people who are out of employment and seeking it at almost any price. In the month of April in this city the Civil Service Commission held an examination for the purpose of securing 250 janitors and charwomen. Shortly after midnight of the morning the application blanks were to be given out men and women began to gather around the office. When the time arrived for the distribution of the blanks there were 5,000 men and women in a seething mass, almost fighting to get their hands upon one of these precious applications that might mean the procurement of a job at hard manual labor for \$1 a day. In the Capital of protected America enforced idleness had driven 5,000 people to desperation, want, and hunger.

Now, for a few moments I desire to call your attention to the distribution of wealth of this country and to the financial condition of the masses of the people.

We have already seen by statements of fact, which may be disputed but not successfully disproved, that protection is of no value to the industrial toiler.

The labor is obtained by our industries upon a basis of free trade; the gates of America are wide open, not only beckoning the laborer of the entire world to enter, but really aiding and inducing him to enter into competition with the wage earner of our own land.

On the other hand, the American laborer has to spend his earnings for the necessities of life in a market protected by the highest tariff rates of any country in the world.

LESS THAN 100,000 OWN CITY.

[From the New York Times.]

Lawson Purdy, president of the board of taxes and assessments, in a speech at the City Planning Municipal Art Exhibition, said that the value of the taxable property in New York City is now estimated to be about \$6,800,000,000. Two-thirds, or 67 per cent, of this property, he added, is land. Mr. Purdy said that it is estimated that less than 100,000 persons own every particle of the land.

Spahr's table for the distribution of wealth in the United States, taken from his work, *The Present Distribution of Wealth in the United States*, when our national wealth was \$60,000,000,000, is as follows:

Classes.	Families.	Per cent.	Average wealth.	Aggregate wealth.	Per cent.
Rich.....	125,000	1.0	\$263,040	\$32,880,000,000	54.8
Middle.....	1,362,500	10.9	14,189	19,320,000,000	32.2
Poor.....	4,762,500	38.1	1,639	7,800,000,000	13.0
Very poor.....	6,250,000	50.0	-----	-----	-----
Total.....	13,500,000	100.0	4,800	60,000,000,000	100.0

The inequalities have been steadily growing worse, and when a single person's fortune is estimated at a thousand millions and is gathering in \$50,000,000 per annum of the net proceeds of the products of the labor of this country, while millions of human beings can not lay aside \$50 apiece per annum, what must be the inevitable result? It is this condition, half understood, that is developing rapidly a sentiment of radical socialism, discontent, and social unrest.

Think of this situation, 50 per cent of our population, after all of their toil, day in and day out, have been unable to accumulate a single dollar! Never, by the practice of strict economy, being able to lay aside a dollar for the day when sickness shall overtake him. Keeping his nose to the grindstone. Never feeling that freedom accompanying the accumulation of a few dollars for the inevitable "rainy day." His poverty crushing his ambition to own a roof over his head. Looking to the future, when he shall have expended his only asset—his muscle—when he has become old and no longer able to enlist in the battle for bread, he must lay down and die in want.

Mr. Chairman, no government can keep its place in the nations of the world tolerating a system which impoverishes its industrial toilers.

You may pay him higher wages here than the laborers of other countries obtain, but by your system you pay him with one hand and take it from him with the other.

In the year 1907 I visited the great city of Pittsburg—the citadel of protection. Of all the places on this earth I there

expected to find prosperity at high tide and the tide still coming in.

In this city I understood that a great banquet given by the steel barons had just been held, where \$100 was expended upon each plate, where champagne stoppers flew like bullets at the second battle of Manassas [applause on the Democratic side], where all was prepared for the feast more sumptuously than did a king ever feast. All to celebrate the division of their millions, the unjust profits of your system of protection.

I expected to see a happy and contented army of industrial toilers. I expected to see them dressed in decent working clothes. I expected to see their little children going to school dressed as an American white child should be dressed.

Was this the condition in existence? No; there walking the streets, approaching the back door of the homes of those they had helped to enrich, were 25,000 able-bodied men begging bread.

There in the doorways of the most desolate and squalid tenement houses, surrounded by none of the ordinary comforts of life, with every environment tending to both moral and physical degradation, sat hungry little children, with tear-stained faces—the enforced tears of hunger—and in the background sat the mother in silence and desperation. How merciless are the trusts! [Applause on the Democratic side.]

Talk about protecting American labor. Why, Mr. Chairman, the historian of the future will define a Republican "as a person belonging to a band of organized men, who, by artful practices and deceitful means, engaged in robbing farmers and laborers of their product." [Applause on the Democratic side.]

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. UNDERWOOD. I yield 10 minutes additional to the gentleman from Georgia.

The CHAIRMAN. The gentleman from Georgia is recognized for 10 minutes additional.

Mr. HOWARD. Mr. Chairman, I thank the gentleman from Alabama very much.

In the last Republican platform we see them not only declaring for a tariff high enough to cover the difference in the cost of production in this country and foreign countries, but for an additional duty high enough to guarantee to the manufacturer a reasonable profit in addition to the cost of freight and carriage.

This is a guaranty they extend only to the manufacturer. The literal definition of the word reasonable is: Rational, honest, just, equitable, fair, suitable, moderate, tolerable.

In the face of this solemn declaration to the American people their party convened Congress and placed the most unreasonable, extortionate, and indefensible tariff act on the statute books the world has ever known. [Applause on the Democratic side.]

For the sake of the masses of the people, may God grant that they may never give us a dose of unreasonable profit. [Applause on the Democratic side.] In arriving at this reasonable profit for the manufacturer they estimate the cost of labor, material, operating expenses, and interest on the capital invested. In seven instances out of ten, one-half of the capital stock of these industries is water, pure and simple. They therefore reward fraud and encourage dishonesty by permitting them to calculate their profits upon a par-value basis for water as well as money invested.

Their protected industries under a prohibitive tariff exact from the people not only this reasonable profit, but they add the last penny of tariff profit to the product also, thus placing in their pockets money rightfully belonging to the consumer and for which he gets not one penny in value.

The great producers of our wealth—the farmers and the laborers—had no guaranty given them that they should receive a reasonable profit on their products and their toil.

When they guaranteed to the manufacturer his reasonable profits, they gave to the farmer and the laborer a guaranty equally as certain of fulfillment that he would be robbed under the system of protection accorded the manufacturer. [Applause on the Democratic side.]

Let us have just a few illustrations of how they tax the farmer and the laborer to enrich their tariff barons: On every \$50 worth of woolen dress goods they make him pay \$25.65 in tariff taxes. On every \$50 worth of flannels he purchases they place a tariff tax of \$29.55. On every \$50 worth of linen wearing apparel they make him pay \$18.75 in tariff taxes. On every \$50 worth of blankets they make him pay a tariff tax of \$25.85.

The farmer has to pay a tariff tax of \$16.70 on every \$100 worth of harness he purchases.

On \$100 worth of salt in bulk they make him pay a tariff of \$44.20. On every \$50 worth of machinery for the farmer they

tax him \$23.05. For every \$50 worth of shovels and hoes for the farmer they tax him \$15.55. For his china plates, cups, and saucers they make him pay a tax of \$17.25 for every \$50 worth purchased.

So this is what the Republican Party declared by platform was a reasonable profit.

With such outrageous profit being filched from the pockets of the masses of the people, is it any wonder that 50 per cent of our people are paupers and that billionaires are taking the place of millionaires?

The gentleman from Illinois [Mr. MANN] was complaining because the present bill taxed women's and children's dress goods 45 per cent, or \$4.50 for every \$10 purchase. Why should he complain and attempt to make capital of this rate when he and his party stand sponsor for an outrageous bill taxing the women's and children's dress goods on every \$10 purchase \$10.20.

Thank God we are able to save the consumer in this small purchase \$5.70 if your Republican Senate will pass this bill and your Republican President will sign it. [Applause on the Democratic side.]

The gentleman from Illinois [Mr. MANN] saw fit to criticize this side of the House for its failure to tax raw rubber, raw silk, diamonds, and so forth. He says that they now come into this country free. The Republican Party made the Payne-Aldrich bill. We had nothing to do with it, and from the looks of that side of the House and the decreased number of Republicans over there, they wish to do the good Lord that they had not had anything to do with it. [Applause on the Democratic side.] Speaking for myself, I am in favor of placing raw wool on the free list and reducing still further the duties on the manufactures of wool, but I assume that my Government is honest enough to pay her debts, although they are debts of the most outrageous extravagance. They were not contracted by our party, but they must be paid.

In fixing the duties in the bill under discussion the Committee on Ways and Means had to take into consideration the discharge of the obligations of the Government already contracted. This bill, so far as I am personally concerned, does not express my views or the views of the constituency I have the honor of representing, but it was the best we could do in the face of Republican extravagance in the administration of the public business [applause on the Democratic side]; and we will a little later on in the season, when the tidal wave of general prosperity follows the storm of Democratic success in 1912, attend to their most pampered industrial pets, the Woolen Trust and the Rubber Trust. [Applause on the Democratic side.]

After the farmers, the industrial toilers, and the masses of the people, who have so long endured your burden, get through with your crowd in the next election, a Republican in this House will look as lonesome as a martin on a fodder pole. [Applause on the Democratic side.]

Mr. Chairman, we will find in the next campaign the farmers and the industrial toilers and the masses in a different frame of mind from that in which we have ever met them. They have been reading and thinking for years. They are now ready to express themselves by voting an untrammelled ballot. They are no longer pleading with their Representatives to reflect their will in the legislation for the country; they demand that you do so. While the farmer and the masses of the people are willing to pay a just tax to raise revenue with which to run the Government economically administered, they are sick and tired of contributing their hard-earned money to enrich the few who are protected under Republican rule, and who do not contribute their just share to the burden.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. HOWARD. Will the gentleman from Alabama yield me about three minutes?

Mr. UNDERWOOD. Mr. Chairman, I yield three minutes more to the gentleman.

Mr. HOWARD. Mr. Chairman, I have the honor of representing the capital district of the Empire State of the South. One of the most progressive cities in the United States is situated in this district—the city of Atlanta. My constituents have millions of dollars invested in manufacturing enterprises; we have a great army of ambitious, honest, industrious, law-abiding and God-fearing, American-born, American-raised, industrial wage earners. They are surrounded by southern environments conducive to patriotic impulses. They love their country, they love their flag, and obey the law of the land. In the seven rural counties of my district you will find upon the farms as intelligent, as industrious, and as refined farmers as will be found in any portion of this great Nation.

Since the convening of this session of Congress I have not received a single line from one of my 290,000 constituents asking me to vote for protection on anything.

My people, God bless them, are patriotic enough, honest enough, and just enough not to ask me to commit a wrong against one citizen for the benefit of another.

Mr. Chairman, my people, my glorious Southland, asks not for protection. With her great cotton crop she adds \$1,000,000,000 annually to the wealth of the country. She brings back from across the seas \$600,000,000 every year in glittering gold, giving to this country the balance of trade in her favor.

She is growing greater and greater each year in spite of the Republican protective-tariff laws. She grows without any aid from the General Government. She is prosperous, although she contributes her millions annually to the North and the Northwest for the payment of Federal pensions.

My people are not here, Mr. Chairman, asking for special privileges and favors at the hand of this Government.

All my people ask is that they be given justice, that they be not discriminated against, and that the markets of the world be thrown wide open that they may advantageously market their unlimited resources. Then, Mr. Chairman, will this country, which God has blessed so bountifully, "blossom like a rose." [Loud applause.]

Mr. PAYNE. Mr. Chairman, I yield one hour to the gentleman from Pennsylvania [Mr. MOORE].

Mr. MOORE of Pennsylvania. Mr. Chairman, in explaining the Democratic caucus reason for reducing the duties upon wool and woolen manufactures the gentleman from Alabama [Mr. UNDERWOOD] made special reference to a "depleted and depleting Treasury" and charged it to the operations of the Payne tariff law. From the prompt disclaimer of the gentleman from New York [Mr. PAYNE] and the addresses of the gentleman from Illinois [Mr. MANN] and the gentleman from Pennsylvania [Mr. DALZELL] it would appear that instead of a deficit, as predicted by the gentleman from Alabama, the Payne tariff law already guarantees to the Treasury for the current fiscal year a very substantial surplus. It is not wholly inappropriate, however, to concede to the gentleman from Alabama the correctness of one part of his statement, which is that, with regard to certain commodities, imports have been falling off, and to this extent the revenue of the country has been affected. This refers particularly to importations of raw wool, which decreased 50 per cent during March, 1911, as compared with March, 1910; so that for whatever this implies the agitation of the tariff and the fear of Democratic revision is responsible. Not for many years has there been such stagnation in the woolen business as there is at the present time, and throughout the trade there is a feeling of uncertainty and apprehension such as has not been known since the deplorable period of the Wilson-Gorman tariff bill. If the Democratic Party can derive any satisfaction out of this condition of affairs, or by reason of a loss of revenue resulting therefrom, they are welcome to it.

REPUBLICAN POLICY IS TO BUILD UP.

The policy of the Republican Party, as I understand it, has always been to build up and encourage industries and to keep the wheels turning so that both capital and labor may be profitably employed. It certainly can not be charged that the Republican Party has ever stood for the development of foreign industries and the production of manufactures abroad in order that deficiencies in revenues might be covered at the custom-houses of the United States, which, in the present instance, is exactly what the Democratic Party, through the spokesman of its caucus, proposes to do.

It is not my purpose to attempt to untangle the intricacies of the wool problem. It has been treated scientifically in numerous tariff bills since the foundation of the country, and it has been written to death by theorists and scholars, who have been the bane and the butt of the practical business men and wage earners who have been actually employed in production, in manufacture, and in distribution. The usual process of reasoning as between the producer and the consumer, as if in the last analysis they were not substantially one and the same person, has been indulged in until the public mind has become tired and confused.

COMPLAINANTS MAKE CONFUSION.

I know of no better way to illustrate this than to cite the witnesses who appeared before the Ways and Means Committee prior to the enactment of the Payne tariff, and who stood for almost every proposition that anybody wanted. Witness the almost humorous dialogue between members of the committee and Mr. Edward Moir, of Marcellus, N. Y., who, speaking for the Association of Carded Wool Manufacturers in opposition

to the Dingley law and differing from Mr. Frederick Swindells, of Rockville, Conn., one of his own committee, as to whether ad valorem or specific duties would be best for all interests, elucidated as follows:

The CHAIRMAN. Mr. Moir, take the present duty of 11 cents on the first class and 12 cents on the second; what would be the equivalent ad valorem to that, in your judgment?

Mr. MOIR. No man can tell unless you give him the shrink of the wool.

The CHAIRMAN. On the kind of wool that is imported under that provision to-day?

Mr. MOIR. It is impossible to answer that intelligently, Mr. Chairman.

The CHAIRMAN. So you do not know whether 50 per cent would raise the duty or lower it on the wool?

Mr. HILL. We have got it right here in our imports.

Mr. CLARK. How much is this wool worth without any tariff?

Mr. MOIR. Which wool do you mean?

Mr. CLARK. The kind you use.

Mr. MOIR. We use so many kinds.

Mr. CLARK. Take one kind. What kind of goods do you make?

Mr. MOIR. We make from a reasonably fine piece of goods down to low-grade goods.

Mr. CLARK. It seems to me that you ought to be able to give an answer to the chairman's question, and to tell him how much this 11 cents and 12 cents a pound would make, ad valorem, on wool. It is a matter of arithmetical calculation if you know how much the wool costs.

Mr. MOIR. If you would just give me the kind of wool, I would have to know the shrinkage, and then I could tell you.

Mr. CLARK. If you can not tell, that is the end of that part of it.

Mr. MOIR. I say, it is one of those puzzling questions that no man can answer intelligently unless he knows the kind of wool and the shrink.

Mr. CLARK. It seems to me that the situation is just about this: Whenever we get to a place where we want any information, we can not get it.

Mr. CLARK. What compensatory duty do you say you ought to have?

Mr. MOIR. A duty equivalent to the average, ascertained by experts, on a 40 cent per pound piece of goods, shown to be there.

Mr. CLARK. Well, I do not understand that. [Laughter.] I want to ask you one question and then I will let you alone, so far as I am concerned. You say it is feasible to have an ad valorem duty?

Mr. MOIR. Entirely so.

Mr. CLARK. Would you base it on the foreign invoice value or on the value in New York or Boston or wherever it comes in?

Mr. MOIR. I would base it on the foreign value.

CONFUSION WORSE CONFOUNDED.

A little further on the witness elaborated more fully, as follows:

Mr. BOUTELL. If you can tell—of course, if you can not tell us, just say so—if you can tell, will you tell the quality of cloth which constitutes, on the average, year by year, the bulk of your output?

Mr. MOIR. We call it a medium.

Mr. BOUTELL. What would that sell for?

Mr. MOIR. That would be made out of what we call a medium wool.

Mr. BOUTELL. I will take another start: What kind of wool goes into the bulk of the goods that you make?

Mr. MOIR. We use half-blood and three-eighths. It is grown in New York, Virginia, Kentucky, and pretty much all over the United States; wherever we can buy it the cheapest.

Mr. LONGWORTH. How much do you pay for it now?

Mr. MOIR. Which kind?

Mr. LONGWORTH. The kind that you make your goods of.

Mr. MOIR. Well, you understand that it varies very much in shrinkage; consequently it varies very much in price. We are using some wool—I have got a sample here now—

Mr. LONGWORTH. You say you go out and buy it where you can get it the cheapest. What do you pay for it? That is a simple question.

Mr. MOIR. The last wool we bought, fleece wool, we paid 25 cents for, unwashed.

Mr. LONGWORTH. Now go ahead.

Mr. BOUTELL. Well, you are helping out.

Mr. LONGWORTH. Twenty-five cents is the basis.

Mr. BOUTELL. I wanted to get, Mr. Moir, an actual illustration of the kind of wool that is in a certain kind of cloth, and I thought I was asking some very simple questions. Either I am unable to make you understand, however, or you are unable or unwilling to answer my questions.

Mr. MOIR. I am not unwilling.

Mr. BOUTELL. In other words, then, you made that out of a mixture of wool?

Mr. MOIR. Yes; about four different kinds.

Mr. BOUTELL. Four different kinds of wool were used in making that cloth?

Mr. MOIR. Yes; maybe five.

Mr. BOUTELL. Do you make any kind of cloth out of one kind of wool?

Mr. MOIR. Sometimes.

Mr. BOUTELL. How often?

Mr. MOIR. Not very often.

HOW WOOLS ARE "BLENDED."

Mr. BOUTELL. You could not say that you had recently made a piece of cloth out of one kind of wool?

Mr. MOIR. I do not believe I could. I will explain that by saying this: We are buying in lots of wool from 5,000 pounds up to 100,000 pounds. We buy them in all markets, and they have got to be brought together and put up in a pile and blended up. It is not so difficult when you know about it.

Mr. BOUTELL. You say you think there may have been five kinds of wool in that cloth?

Mr. MOIR. Yes.

Mr. BOUTELL. Could you give me the prices of the five kinds? You said from 35 to 64 cents. That accounts for two. Give me the prices of the other three.

Mr. MOIR. Oh, well, I could not give you just the exact prices unless I were home. Then I could give them to you.

Mr. BOUTELL. In other words, then, we can not get from you an actual illustration of what you paid for the raw wool that went into any particular kind of cloth that you can identify, so that we can ask the simple question what ad valorem duty you think would be fair on that cloth so identified, provided we put a 50 per cent duty on that wool so identified? You are unable to give any actual figures that would illustrate that simple problem.

Then there were questions by members of the committee and answers too lengthy to submit in the Record, indicating that there was great difficulty on the part of the committee in ascertaining just exactly what Mr. Moir's views were, although he represented certain carded-wool interests that were, perhaps, the chief opponents of Schedule K, which has been the subject of so much discussion on this floor. That part of Mr. Moir's statement which pertained to the ad valorem duties he advocated I deem worthy of reproduction. It shows how "easy" it was for the Ways and Means Committee to get at the facts:

INFORMATION ON AD VALOREMS.

The CHAIRMAN. Mr. Moir, the equivalent ad valorem of the present rate of duty on wool averages about 45 per cent?

Mr. MOIR. So the statistics show—that is about what they pay.

The CHAIRMAN. The statistics show that; about 45 per cent?

Mr. MOIR. Yes.

The CHAIRMAN. It may be a trifle over that, or it may be a trifle under that on one class or the other?

Mr. MOIR. Yes.

The CHAIRMAN. Suppose you had an ad valorem duty of 45 per cent on wool, what is the lowest rate of duty that you would have to have on your goods, the goods that you make, to protect your industry?

Mr. MOIR. Do you mean to figure a compensatory duty?

The CHAIRMAN. I mean the whole duty. What percentage would you have to have on your cloth, compensatory and otherwise, to protect your labor, and so forth?

Mr. MOIR. On a 50 per cent basis?

The CHAIRMAN. I said 45, but you may take it at 50 or any other figure you please and tell me what it is, and tell me the result.

Mr. MOIR. How long will you give me to figure it?

The CHAIRMAN. Have you not ever figured that out?

Mr. MOIR. Not on the basis of 45 per cent. I have figured it on 50.

The CHAIRMAN. Tell us on the basis of 50, then. You need not figure it at all in that case.

Mr. MOIR (after examining papers). On the basis of 40 cents a pound it would figure somewhere in the neighborhood of about 87 per cent.

The CHAIRMAN. Forty cents a pound, or 40 per cent duty?

Mr. MOIR. Yes; not 40 per cent.

The CHAIRMAN. I am talking about an ad valorem duty on the wool now.

Mr. MOIR. Of 45 per cent?

The CHAIRMAN. Of 50 per cent. You said you could tell me. You get off onto pounds.

Mr. MOIR. Yes; figured on 40 cents a pound, about 80 per cent.

The CHAIRMAN. Forty cents a pound?

Mr. MOIR. Yes.

The CHAIRMAN. I said on the basis of 50 per cent ad valorem on wool; or you did, and I accepted your figures. With a straight ad valorem of 50 per cent on wool, what percentage of ad valorem duty would you have to have on your cloths in order to protect you and pay a compensatory duty on the wool?

Mr. MOIR. Somewhere about 80 to 90 per cent.

The CHAIRMAN. Have you ever figured that?

Mr. MOIR. Well, roughly.

The CHAIRMAN. Are you satisfied that 75 per cent would do it?

Mr. MOIR. I am not quite satisfied.

The CHAIRMAN. Are you satisfied that 80 per cent would do it?

Mr. MOIR. I think somewhere in that neighborhood. Understand, Mr. Chairman, it is not that I do not want to give information, but you understand that we never have gone in and figured up these things. We are entirely at sea as to what compensatory duty or what ad valorem duty—

The CHAIRMAN. Yet you come here recommending an ad valorem duty on the wool, and you have not figured up at all to see what the ad valorem would have to be on the cloth?

Mr. MOIR. Somewhere about 80 per cent, on a 40-cent basis.

The CHAIRMAN. On the yarn what would the ad valorem have to be, with 50 per cent on the wool?

Mr. MOIR. It would be less than on the cloth.

The CHAIRMAN. Yes; I should say so. How much less? What would it be?

Mr. MOIR. The making of the yarn is about one-half of the cost—pretty nearly—in some cases one-half of the cost of the making of the goods.

The CHAIRMAN. Then it would be 65 per cent?

Mr. MOIR. Somewhere about 60 or 65.

The CHAIRMAN. Sixty or sixty-five; is that right?

Mr. MOIR. Somewhere about that, I should think, speaking offhand, because I have not figured it out.

EVIDENTLY NOT SATISFIED.

Even at the expense of tiring the House, I have made this lengthy extract from Mr. Moir's testimony, because he was, in 1908, and is still, so far as an increasing tendency to circularize this Congress is concerned, perhaps the leading opponent of Schedule K. And yet the introduction of these pages of Mr. Moir's remarkably lucid statement may be considered timely in view of Mr. Moir's opinion of the Underwood wool schedule, as reported by the Daily Trade Record of New York, in its issue of June 7. Mr. Moir, who wanted to destroy Schedule K, does not seem to be enamored of the Underwood bill, as this extract shows.

"NOT ENOUGH PROTECTION IN UNDERWOOD BILL," SAYS EDWARD MOIR.

In reply to the question, From the wool, woolen, and worsted mill viewpoint, would the Underwood tariff bill give enough protection to retain American domestic markets? Edward Moir, president of the Crown Mills, Marcellus, N. Y., and president of the Carded Woolen Manufacturers' Association, said: "I would simply say no."

It would thus appear that if Mr. Moir has been furnishing material for recent assaults upon the worsted industry, he is not entirely satisfied with the founding the gentleman from Alabama has laid upon his doorstep.

A STATEMENT FROM THE OTHER SIDE.

At this point, and in view of the attack made upon the American Woolen Co. by the gentleman from Kansas [Mr. MURDOCK], and purely in the interest of fair play, I quote from an address of William M. Wood, president of the American Woolen Co., in Washington in February last:

I claim that the contentions which the Carded Woolen Association makes are absolutely groundless. I claim that its representatives have started upon wrong premises in the argument, and therefore have reached wrong conclusions. Speaking both as the largest carded woolen manufacturer in America, and I think in the world, and as a worsted manufacturer of the same comparative size, there is absolutely no discrimination whatever against the carded woolen interest in the wool and woolen schedule, as compared with the worsted manufacturing interest. If it could be said that there was any discrimination at all between the two industries, the carded woolen manufacturer is really being favored. He can import any and all wools that the worsted manufacturer can import and the worsted manufacturer can import any and all wools that the carded woolen manufacturer can import. Both would like to bring in heavy-shrinkage wools, from which they are debarred, but the woolgrowers of the West consider that unfair. I say this subject to being wrong—that this group of carded woolen men are not in the general sense users of wool to any great extent. Their raw material consists mostly of shoddy, made from rags, old and new, and from wastes and the by-products of worsted mills. Some of them use fleece wool; it would be interesting to know how much they use, and I think it would be found surprisingly small.

DIFFERENCE BETWEEN WORSTEDS AND WOOLENS.

Worsted manufacturers can use only straight fleece wools from the sheep's back, and can not and do not use wastes, shoddies, or adulterants of any kind whatever. Worsted goods are made from straight, clean, pure wool, without manipulation of any kind. When I am buying wools in London or in Melbourne, on account of the specific duty I naturally seek for the light-shrinkage wools. Any carded woolen manufacturer has the same privilege. He uses his wool closer and does not have to figure the question of nolls, which are the short combings from the fleece and which the worsted manufacturer can not use. For these nolls or short wool he pays the full price, as though it were long fleece wool suitable for his use. He is obliged to sell it at a loss from that price of 33 to 50 per cent, more or less. The carded woolen manufacturer can use that product, but not altogether, and in the case of the American Woolen Co., we offer for sale in the open market these very nolls and waste products of our mills, and so do all the other manufacturers, and very often they become a glut in the market—all to the advantage of the carded woolen manufacturer and to the loss of the worsted manufacturer. I can not for the life of me see why the few disgruntled men who form that Carded Woolen Association have any right to make complaint, and the fact that they are so small a minority, compared with the great number of carded woolen manufacturers of the country who do not agree with them, is conclusive evidence that they are in the wrong.

INJUSTICE TO ALL INTERESTS.

Having thus introduced the elements which are supposed to be fighting each other in the woolen business, I shall attempt to tell why I believe a great injustice will be done all interests by the passage of this bill. In the first place, it is in no sense a protective measure and has been so declared by the gentleman from Alabama. It is intended solely for revenue purposes, without regard to the welfare of American manufacturers and workingmen, whether they operate under the banner of the carded-wool man or of the maker of worsteds. Neither does it give consideration to the rights of the American woolgrower, for whom there must be protection if he is to continue to raise sheep in competition with Australia and other countries more favorably disposed as to climate. I do not attempt to speak for the woolgrower, because I hail from a manufacturing center, but my republicanism was of such a consistency as to make me stand with the farmer and woolgrower against Canadian reciprocity, and no tit-for-tat policy has permitted me to waver on any subsequent proposition leading to piecemeal and ineffective free trade. And right here I want to say—and I do not have the authority of any manufacturer for the statement—that the duty of 11 cents a pound on unwashed wool, leading up to 33 cents a pound on scoured wool, is solely in the interest of the American farmer and woolgrower to protect him against the increased expense to which he is subjected by foreign competition and the rigors of winter.

Mr. DONOHUE. Will the gentleman yield?

Mr. MOORE of Pennsylvania. I shall be very glad to yield.

Mr. DONOHUE. How will cheap wool injure the textile industry of Philadelphia, which district you and I in part represent?

Mr. MOORE of Pennsylvania. I am going to cover that a little later on in my address, and, if the gentleman will be content, I think I can reach it in the regular way, and so save the time of the House.

Mr. DONOHUE. I will be pleased if the gentleman will do so.

WOULD PLAY FAIR WITH KANSAS.

Mr. MOORE of Pennsylvania. It also encourages domestic manufacture and the employment of labor in the United States. [Applause.] It was suggested on this floor by the gentleman from Kansas [Mr. MURDOCK] that an attempt would be made to remove the duty upon worsted cloth, for no other purpose apparently than to "hit" the American manufacturer, notwithstanding the fact that the manufacturer is not directly benefited by the duty imposed upon raw wool. In other words, the manufacturer whom the gentleman from Kansas wants to strike does not receive a single cent's worth of protection until the farmer is first cared for on unwashed wool at 11 cents a pound and to the extent of 33 cents upon a pound of scoured wool. I am aware of the inflammatory newspaper and magazine articles that may arouse the people who send the gentleman from Kansas to this House, but I am proud as an eastern Republican to be able to say that I would vote against a reduction of the duty upon raw wool, which protects the farmer who raises sheep in Kansas, just as promptly as I would vote against the proposed amendment to make the man who purchases the wool compete with foreign prices and foreign wages. [Applause on the Republican side.]

OBJECT TO DISPLACEMENT OF AMERICAN WOOL.

With no expert knowledge upon this subject, and looking at it chiefly from the view point of the success and development of the industry in the United States, I want to state my understanding of this controversy. Let us begin with raw wool itself. It would only confuse the argument to attempt to specify the various grades of wool, or to enumerate the countries from which they come.

According to the Statistical Abstract the American production of washed and unwashed wool in 1909 was 328,110,749 pounds, of a value of more than \$88,000,000. Foreign wool was imported in excess of 266,000,000 pounds. It was that foreign wool and the manufactures thereof, coming into competition with domestic wool of larger volume, so far as the American markets were concerned, that raised approximately forty millions of revenue for the Government, and that revenue the Democratic Party now proposes to retain, not by importing 260,000,000 pounds of wool at existing rates of duty, but by displacing so much of the American production as will by the admission of more foreign wool make up the difference between the protective duties of the Payne bill and the so-called revenue duties of the Underwood bill.

FARMER'S PROTECTION GUARANTEED.

Now, where do we stand? The Underwood bill proposes to hit both the manufacturer and the farmer, and the gentleman from Kansas proposes to hit the manufacturer. It is evident that the market of the American woolgrower is with the American manufacturer. It is also a fact that before the American manufacturer starts business he agrees that the farmer shall have protection to the extent of 11 cents a pound on raw wool of a certain grade and more or less in other grades. The position of the farmer is exactly that of the taxi-cab man who assumes that the passenger is prepared to spend at least 30 cents, and adjusts the register for that amount before he turns a wheel. Under the existing law the farmer is secured against competition from abroad and is guaranteed protection before a pound of his material is woven into a fabric.

The Underwood bill proposes to take away that guarantee, to remove that protection, and put the American farmer at the mercy of the foreign producer, except as he may be protected by the Democratic revenue duty of 20 per cent on the value of imported wool. I have a notion that the man on the farm will not support this proposition any more than the workman in the mills will support it when he thoroughly understands the effect of it. For bear in mind, enough wool and woolen manufactures must be brought into this country to raise \$40,000,000 of revenue at the customhouse and to that extent displace American wool, or the Underwood Democratic revenue tariff must be a complete failure. It will be too costly an experiment for Republicans or near Republicans to indulge in, preceding the presidential campaign of 1912.

WHY WOOL HAS GONE DOWN.

We are told that the price of American wool has been going down since this agitation began. I am in a position to state that the activities of worsted and woolen mills, as well as of

other textile industries, have fallen off markedly as the result of the apprehension that this Democratic tariff tinkering will continue. Salesmen are not bringing in their usual orders and manufacturers are taking no chances while the present uncertainty prevails. They are in no position to buy wool far ahead, and this in a measure accounts for the reduction in the price of wool. Moreover, many mills have closed down for want of orders, and many others, in order not to close down, are running short-handed or on reduced time. Only a few days ago the Southwark Mills Co., an establishment employing about 2,000 hands, was forced out of business, and its machinery and surplus stock have since been for sale. I do not know whether the Republican who finds fault with Schedule K knows what it means to 2,000 people, with families dependent upon them, to be suddenly thrown out of employment in a large city, but to us it is a very serious matter. And here is a single instance amongst many which tend to show the dire and far-reaching effects of a change in the tariff system under which we have been able to buy American wool and make American woolsens.

REVENUE-GETTING V. LABOR.

Numerous inquiries addressed by me to spokesmen upon the other side with regard to the harmful influence of a revenue tariff upon American labor have failed to provoke that interest in the laboring man which, in my judgment, should be the first consideration of statesmen. The Democratic viewpoint has been one of revenue only, and the labor question apparently has had little or no consideration in the make-up of this bill. In fact, it is amazing to what extent this basic problem is ignored by the Democratic caucus and those who have made their attack upon Schedule K. Here is an extract from a letter written by Mr. John Burt, president of the Southwark Mills, to which I have already referred, attributing the failure of the company to the after effects of the panic of 1907 and the "unwarranted tariff agitation of 1910." Mr. Burt says:

Our concern employed over 2,000 people. Tariff agitation or the probability of it was one of the main causes for us to liquidate. There is no justice in the attack on Schedule K. I was in Europe last fall studying in detail the textile industry and went through a number of large plants. The main advantage they have is that all kinds of labor can be had at 60 per cent less cost than we can obtain labor for in the United States.

Mr. Burt, whose whole life has been devoted to the manufacture of fine woolen and worsted goods, referring to keen competition in the trade, adds:

There is no such thing in America as a woolen trust; but the truth would probably be revealed if you were to investigate the cost of the finished suit that goes to the consumer through the big, expensive department stores that control by advertisements the American press.

CANADIANS EXPECT CHEAPER MACHINERY.

With further reference to the Southwark Mills, it may be interesting, although harking back to the reciprocity discussion, to quote from a letter written by a Canadian woolen and worsted goods manufacturer to one of his Philadelphia correspondents. He was one of several Canadian buyers interested in the sale of the Southwark Mills machinery. This is what he said:

The matter of the Southwark Mills we took into consideration and had their catalogue before us, and at one time thought of sending a couple of men down to look at some of their machinery. We eventually concluded, however, not to do so, as we felt that we would not increase the worsted end of the business just at present. Moreover, with the likelihood of the reduction in the wool tariff in the United States, we fancy there will be many worsted and wool companies put out of business in the next year or so, during which time, if necessary, we will be able to pick up such machines as we may require.

At this time I lay before the House a list, forwarded under date of May 1, 1911, of mills, including the Southwark Mills Co., that have discontinued business in the Philadelphia district since the tariff agitation has been renewed:

Woolen and worsted mills in Philadelphia district that are reported to have discontinued business within the past few months.

	Mills.	Looms.	Combs.	Cards.
Southwark Mills Co.	5	686	12	31
Landenberger Manufacturing Co.	1	100		
Long Bros. Co.	1	380		
Federal Worsted Co.	1	134		
John Scanlin & Son.	1	396		
Hall-Taylor Co.	1	55		
Tracy Worsted Mills Co.	1		13	
Leicester & Continental Mills Co.	2			10
Chester Worsted Co.	1		3	
David G. Orme.	1	60		
Penn Worsted Co.	1	40		
Six Mills Co.	1	30		
May Manufacturing Co.	1	400		24
Total	18	2,281	28	65

¹ Also shut down, but have not as yet decided definitely to discontinue.

WHY MILLS SHUT DOWN.

Mr. HARRISON of New York. Mr. Chairman—

The CHAIRMAN. Does the gentleman from Pennsylvania yield to the gentleman from New York?

Mr. MOORE of Pennsylvania. I do.

Mr. HARRISON of New York. Does not the gentleman know that textile mills generally close down for a portion of each year, and this is the time of the year when it is customary for them to close down, either wholly or partly, and it has practically nothing to do with the so-called tariff agitation?

Mr. MOORE of Pennsylvania. Many mills do close down, but the list of mills that I refer to have closed down because it does not pay them to go on and for the reason that there is no demand for the goods they make.

Mr. DONOHUE. Does not the gentleman know that the textile industry, especially in Philadelphia, has been very dull for the last three years?

Mr. MOORE of Pennsylvania. Is that the gentleman's judgment and information?

Mr. DONOHUE. It is the information of the textile manufacturers of Kensington.

Mr. MOORE of Pennsylvania. And the workingmen as well?

Mr. DONOHUE. Yes.

Mr. FOWLER. Mr. Chairman—

The CHAIRMAN. Does the gentleman from Pennsylvania yield to the gentleman from Illinois [Mr. FOWLER]?

Mr. MOORE of Pennsylvania. I yield to the gentleman from Illinois.

Mr. DONOHUE. What was the gentleman's answer to my question?

Mr. MOORE of Pennsylvania. I was about to answer it by reading from my manuscript, but I will say to the gentleman he is correct as to depression in the textile industry in Philadelphia at the present time; a great many workingmen are out of employment at the present time.

TARIFF AGITATION ALWAYS DISTURBS.

Mr. DONOHUE. And there has been this depression for three years?

Mr. MOORE of Pennsylvania. There may have been lack of employment for three years—there was in the hosiery business particularly—but during the last six months there has been a great deal more depression than at any time in the last three years.

Mr. DONOHUE. I have a number of letters saying that business has been bad for the last three years.

Mr. MOORE of Pennsylvania. The gentleman confirms my statement. Business has been dull, mills closed down, and the tariff agitation has disturbed business. Tariff agitation began about three years ago.

Mr. MANN. I will say to the gentleman that I have had a number of letters lately from woolen manufacturers and woolen dealers and clothing dealers stating that the trade is so paralyzed it is at a standstill, and I never have had any letters of that character heretofore.

Mr. MOORE of Pennsylvania. I say to the gentleman that the information which is contained in those letters addressed to him is the information which I get at first hand from both manufacturers and workingmen in the city of Philadelphia.

Now I will answer the gentleman from Illinois [Mr. FOWLER].

WHAT DO THE DEMOCRATS MEAN?

Mr. FOWLER. You have very nearly answered what I desired to inquire, which was, if there was any greater depression now at this season of the year than there has been in former years?

Mr. MOORE of Pennsylvania. There has not been such depression in the textile industries as there is to-day since the days of the Wilson-Gorman tariff, and it could not have been much worse, I will say to the gentleman, at any period in the history of the country.

Mr. FOWLER. To what do you attribute this falling off, then, in your woolen industries?

Mr. MOORE of Pennsylvania. To the agitation of the tariff question, which unsettles business and prevents manufacturers from going ahead with their business and which prevents merchants from giving them orders for goods.

Mr. FOWLER. Now, I desire to be fair. Is it not generally understood that there will be no law passed on the woolen schedule at this session of Congress?

Mr. MOORE of Pennsylvania. I will say to the gentleman that we have no right to assume that no law will be passed, nor have we a right to assume that the Democratic Party was at all insincere in bringing in this bill, which has disturbed the industries of the country.

IS THE UNDERWOOD MEASURE A BLUFF?

Mr. FOWLER. Well, I desire now to be as fair as the gentleman. Is it not a fact now that it is generally understood among the manufacturing industries using wool in this country that there will be no law passed reducing the tariff on wool or on finished products of wool?

Mr. MOORE of Pennsylvania. May I ask the gentleman, before I answer his question, whether his understanding of the Democratic policy, as enunciated in this House, is that this Underwood tariff bill to reduce duties is not expected by the Democratic Party to pass the Congress of the United States?

Mr. FOWLER. Yes; we do expect it to pass, if we can get the Republican Senate to vote with us and the Republican President to approve the bill.

Mr. MOORE of Pennsylvania. Then, I say to the gentleman, that I hope the Republican Senate will have a little more common sense and a little more humanity than to pass it, and that the Republican President will be wise enough not to permit a bill of this kind to go through.

Mr. FOWLER. Is it not a fact that the woolen industries of this country do understand that there will not be any legislation reducing the woolen schedule or the duties on the finished products of wool?

Mr. MOORE of Pennsylvania. So far as I know, there is a deep-seated fear and apprehension on the part of the woolen manufacturers throughout the country that the tariff will be disturbed, since the Democratic Party has pledged itself to reduce the tariff, and particularly Schedule K. The Democratic Party is now in control in this House and has the power to put this legislation forward if it sees fit to do so.

Mr. FOWLER. We can pass this bill through the House only.

Mr. MOORE of Pennsylvania. I would not for a minute attribute to the distinguished gentleman from Alabama [Mr. UNDERWOOD] and to the distinguished Speaker of this House, who is one of the leaders of his party, any such insincerity as the language of the gentleman from Illinois would imply. I prefer to take those distinguished gentlemen at their word. They have the power here, and they have enunciated their policy, and I understand they propose to fight it out along the line they have indicated until they get control of the other branch of Congress.

THE MEANING OF APPREHENSION.

Mr. FOWLER. The trouble is that the gentleman from Pennsylvania has not answered my question. [Laughter.]

Mr. MOORE of Pennsylvania. I have tried to answer the question of the gentleman. If he does not understand me, I am very sorry.

Mr. FOWLER. I can not see how the business of the country will be disturbed when there is no such situation existing as can disturb it.

Mr. MOORE of Pennsylvania. Would it disturb the gentleman, may I ask, if, occupying, as he does, a very happy home in the State of Illinois, a messenger were to come to him announcing that somebody proposed to put a can of dynamite under his house some time within the next year?

Mr. FOWLER. If I knew he could not do it, I would sleep as sound as I ever did.

Mr. MOORE of Pennsylvania. I think the gentleman would have the feeling that most business men now have, when there is a determined purpose on the part of the Democratic Party to put into effect its theories, and thus interfere with the normal prosperity of the business of the country. This apprehension, as I am advised, has already caused a liquidation in the wool and woolen industry to the extent of \$150,000,000.

Mr. FOWLER. Will the gentleman be honest enough now to say that he expects the bill will not pass the Senate? And if it will not pass the Senate, how can there be any danger from it?

Mr. MOORE of Pennsylvania. I can not say whether it will pass the Senate, but I can say to the gentleman, on my honor, that I will do everything I can, everything in my power, to prevent it and to stop it.

Mr. MANN. I think the gentleman from Pennsylvania does not quite understand my colleague from Illinois. My colleague is endeavoring to inform the gentleman from Pennsylvania that what he, the gentleman from Illinois, is about to do will not be very bad, because it will not be accomplished; that while he, with his party, is doing his best to ruin the country, the country knows he can not do it, and hence what he is seeking to do will not do any harm.

STILL A QUESTION OF INTENT.

Mr. MOORE of Pennsylvania. That may be the gentleman's meaning, but I have no desire to so interpret it. I have wanted to give him full credit for sincerity in advocating the enact-

ment of this bill, and give his party full credit for sincerity in introducing it. I assume that the leaders of his party were sincere and honest when they made the announcement here that they proposed to fight it out along this line if it took all summer.

Mr. FOWLER. But the gentleman still does not answer my question at all. [Laughter.] If the gentleman still says that he does not expect it to pass the Republican Senate, then I will ask him how he can expect it to disturb business in his State?

Mr. MOORE of Pennsylvania. It has already disturbed business. I advise the gentleman that with such able generals as his party has on the firing line here I do not take anything for granted in regard to tariff legislation.

Mr. FOWLER. I desire to thank my colleague from Illinois for absolving my conscience.

Mr. MOORE of Pennsylvania. Let me say to the gentleman that if his colleague from Illinois on this side has absolved the gentleman's conscience, still that can of dynamite that I referred to might disturb the gentleman in the future. I do not want to believe he puts his trust in the Senate.

Mr. MANN. I propose to have something to say to the gentleman from Illinois a little later on another matter.

HANDS UNEMPLOYED—BUSINESS MEN CAUTIOUS.

Mr. MOORE of Pennsylvania. Mr. Chairman, this discussion is very interesting, but my time is passing.

I am informed that at least 5,000 hands have been deprived of their employment by reason of the Philadelphia shut-downs, and that there are probably ten or fifteen thousand mill hands in the same district who are working half time because there is no demand for the product of the mills. If this condition, which is special to Philadelphia and vicinity, holds throughout the country, it can very readily be seen what the result will be if the present uncertainty with regard to tariff legislation is not relieved. It would also seem to justify the prediction of our Canadian correspondent that woolen and worsted machinery in American mills may be had at less cost under Democratic conditions than it would bring now. This is what happened during the Wilson-Gorman tariff period, and it is not to be wondered at that business men and manufacturers are cautious as to future business ventures.

FARMER AND WORKER BOTH HIT.

Now, Mr. Chairman, why does this so-called Underwood bill cause apprehension in the business world?

In the first place, it takes away the farmer's protection on wool and proposes to open up the American market, which is the best in the world, to the foreign woolgrower. Thus, in order to raise revenue the Democratic Party proposes to sacrifice the American woolgrower by displacing his product in favor of wool from Australia and other countries. It denies the farmer the protection that has been given him by the Republican Party.

And then, for the sake of raising revenue only, it denies to the American woolsorter, whether employer or employee, the protection the Republican Party has hitherto accorded him against the cheaper overhead charges and wage conditions prevailing in Europe. Regardless of the overhead charges or manufacturer's profit, the wages paid to woolsorters is as \$12.50 to \$15.50 in the United States to \$3.75 in Germany, \$4.60 in Italy, \$6.40 in France, and \$7.30 per week in England. Here are two comparative scales showing the wage standards set in the United States and foreign countries. The first is taken from the statement of Mr. W. A. Graham Clark, a special agent of the Department of Commerce and Labor, who was sent to Europe especially to obtain this kind of information. (See page 5709, Ways and Means Committee Hearings, 1908-9):

In regard to wages, from information gathered in Italy, France, England, and the United States, I have figured up the comparison as follows:

	Italy.	France.	England.	United States.
Sorters.....	\$4.60	\$6.40	\$7.30	\$12.50
Washers or dyers.....	3.00	4.25	5.00	7.00
Carders.....	2.30	4.00	3.90	6.00
Gill boxes.....	2.30	3.70	3.00	6.00
Comb minders.....	2.30	3.70	3.00	6.00
Boss spinner.....	7.00	9.25	12.00	18.00
Mule spinner.....	5.80	6.20	7.30	9.50
Ring spinner.....	2.30	4.00	3.00	6.00
Weavers.....	3.00	4.60	4.00	9.00
Fullers and pressers.....	3.50	4.25	6.00	7.00

ANOTHER WAGE COMPARISON.

The next comparative scale I desire to introduce at this time is supplied by the letter of Thomas H. Ball, of Philadelphia,

to Chairman Payne (pp. 5766-5767, same tariff hearings), as follows:

DEAR SIR: As argument against any lower revision of Schedule K of the Dingley tariff bill as regards worsted yarns, the writer represents 30,000 to 40,000 worsted spindles here and has recently investigated and received from England the wages paid for the same work there for comparison.

Comb minders receive in England \$4.30 to \$4.75 per week, as against \$6.50 to \$8.50 in our mills here; drawers receive \$2.80 to \$3 in England, as against \$6.50 to \$7 here. Boys, \$2.12 to \$2.24 in England, as against \$4 to \$5 here. Girls in spinning rooms receive \$2.24 to \$2.75 in England, as against \$5 to \$7 here.

In regard to the French system of spinning, the writer represents Jules Desurmont & Sons, Touring, France, who have recently established a branch at Woonsocket, R. I., and the figures below are the wages paid by this concern in Woonsocket and in their mill in France.

Wages paid here for spinners \$16 per week; in France \$6.50 per week. Piecers paid here \$12 per week, in France \$4.50. Drawing hands \$6.50 here, in France \$3.25. Twisting, spooling, and reeling \$6.50 here, and \$3.25 in France.

Being interested in some mills in Belgium, am in a position to state with full knowledge that the wages in Belgium on this line of work is on an average of 5 per cent cheaper than in France, and in Germany on this same line of work the wages rule from 10 to 20 per cent lower than in France.

As an illustration of the difference in prices in yarns between here to-day and France to-day on the French system: 2/28, 3 grade, is selling here for \$0.88½; the same grade in our mills in France, \$0.48; 2/40, 1 blood, selling here at \$1.07½, and to-day in France for \$0.57; 2/50 at \$1.20 here, and \$0.65 in France. For weaving in England, weavers receive \$3.75 to \$4.24 per week, against \$10 to \$13 here. Warp dressers receive \$6.50 to \$7 in England, as against \$15 here.

Yours, truly,

THOS. H. BALL.

I commend these comparisons to the gentleman from Georgia [Mr. HOWARD], who spoke a little while ago and who seemed to think that conditions abroad were equally desirable as those in the United States.

When we call the attention of our friends on the other side to these incongruous figures, we are told that the question is not germane to the revenue problem, or, as in the response of my learned friend from Georgia [Mr. BRANTLEY], that we are "setting up a man of straw."

REPUBLICAN PROTECTION IS THOROUGH.

Then, again, for the sake of "revenue only," the Underwood bill proposes to put into competition with American operatives in the scouring department of the various mills those who do similar work at one-half the wage in England and one-third the American wage in Germany, France, Belgium, and other countries. The Republican Party has hitherto provided against this difference in the wage account, so that in no one particular branch of the business has the foreigner got an undue advantage over his competitor in the United States. To me it is a matter of small consequence whether the carded-wool manufacturer in the United States feels that he can not keep up with the improved machinery and facilities of the worsted manufacturer, so long as we are able to give each of them a fair chance in their respective lines and along the various stages of production against unfair competition in other countries. If wool can be sorted in England and Germany cheaper than it can be sorted in the United States, we should put up a barrier covering the difference in cost of wool sorting at home and abroad. That is exactly what we did for the farmer when we took care of him to the extent of 11 cents a pound on raw wool, aggregating 33 cents a pound on scoured wool. We have made the foreign wool producer meet the barrier at the customhouse and have compelled him to enter this country on equal terms with the American producer.

BARRIERS ERECTED, STEP BY STEP.

And if we did put up the barrier for the benefit of the wool-grower and then of the wool sorter, what are we to say of the wool scourer, who can do the work of scouring so much less in foreign countries than we can do it here? Why, of course, to be consistent and fair to this separate industry, we must rear the barrier against him, else the whole scheme of protection fails. And if the scouring is done cheaper abroad and protection is needed at the customhouse, then carding, which is a separate trade, must also have protection; and combing, which starts the worsted manufacturer at the parting of the ways from the woolen manufacturer, must also in all fairness have his protection. Spinning can be done cheaper abroad than it can be done here, and so we require a special rate of duty for foreign-made yarns. If it were otherwise, we would surely permit the extinction of vast industries in the United States and flood this market with foreign products. In actual practice the Republican Party has protected, step by step, every interest associated with the wool business from the shearing of the sheep to the finishing of the cloth. We can not withdraw any one step of protection along the whole line of associated industries in the wool and woolen business without endangering them all. [Applause.]

PRACTICE V. THEORIES.

And when I speak of Republican "practice" or "performance" I want to differentiate between the theories that we hear so much about upon the other side, theories from men who know nothing of the conditions that prevail in great industrial centers; theories of those who live in the past and amongst their books, and who get their ideas from philosophers who know not how to earn their bread and butter, nor realize the necessity of the daily wage to the man who lives in the city.

I say "practice," because the Republican Party has gone on step by step to protect the interests of the people of this country, regardless of fine-spun theories that lead on to a remote millennium. And while the Underwood bill, framed solely for the purpose of raising revenue, strikes down every one of the branches of industry involving the employment of labor in the manufacture of woollens, it is worthy of more than passing comment that the highest rate of duty provided in the bill has been placed against foreign importations of blankets and flannels, women's and children's dress goods, and ready-made clothing. Here is where we get the low-grade or adulterated material, and here is where the Underwood bill accords protection, while it professes to raise revenue. The ad valorem duties in these particulars run up to 45 per cent, so that with respect to the finished product the ready-made clothing manufacturer and the maker of ladies' and children's dress goods would seem to be favored against the workman whose livelihood depends upon the working up of the material. This new provision would mean that on a \$20 suit of clothes made in London the importer would pay \$9 at the customhouse, or upon \$10 worth of ladies' or children's dress goods imported from France would pay \$4.50 at the American port. It can not be denied that there are elements of protection for certain merchandising interests in this Democratic proposition, but it may be safely left to the importer or the manipulator to see that the price to the consumer is not reduced because of the high duty proposed.

WANTED FOREIGN VALUES ON IMPORTS.

Those who appeared before the Ways and Means Committee attacking the system that prevails under the existing law insisted that the foreign value of imports be taken. That is what the trader in tailor-made suits and in ready-made clothes wants. He wants to pay upon the price in England, France, or Germany. The value will be taken there and goods will come in at the lowest prices—\$4, \$5, and \$6 per suit—and be taken over by the importer to the great department stores, where the consumer who seeks relief will pay the same old price in the same old way. Meanwhile American wool will be depressed and workers in the American mills will be sacrificed to the makers of ready-made clothing in England, in France, in Germany, and in Italy.

And would the consumer get his clothes any cheaper? Does the consumer get oil cheaper or sugar cheaper by reason of any operation of the tariff system? Do we get coffee or tea cheaper because we have removed the duty from coffee and have placed no duty upon tea? Do you think importers are in the business of seeking the world over for cheap goods, bringing them into the customhouses of the United States free, under Democratic policy, have no expectation of getting the American price for them? This is the problem of the farmer and the wage earner who is looking for cheaper goods from abroad.

AMERICAN PRICES DISCUSSED.

It is a matter of common knowledge that notwithstanding the increased expense of the American manufacturer he is still able to supply the market with cloth made of pure, new wool, of 16-ounce weight, which can be put upon the counter of a merchant tailor at \$1 to \$1.50 per yard. I have here three samples of woolen fabrics, 3½ yards of which, enough for a suit of clothes, would cost, respectively, \$3.93, \$4.20, and \$4.29. This is the finished product that comes out of the mill. It goes into the suit of clothes you buy from the tailor or the ready-made dealer, and the cost of it when it leaves the mill, with all tariff charges included, as if it were an imported cloth, with labor and manufacturer's profit all counted in, was \$3.93, \$4.20, and \$4.29, respectively. In no instance would an American, unless an uncompromising Anglomaniac, be ashamed to wear either piece of cloth when worked up into a suit of clothes.

At these prices every item of protection under the Payne bill was accorded to the manufacturer, and yet, with his great plant and his large number of skilled employees, he, this "robber baron," this "trust magnate," had to get his profit out of that \$3.93, that \$4.20, and that \$4.29.

THE MILK IN THE COCONUT.

Now, Mr. Chairman, we are getting down to the milk in the coconut.

What did the consumer pay for the suit of clothes which, as cloth delivered by the manufacturer, was sold for the sums indicated? If he went to a department store, he may have paid anywhere from \$10 to \$25. Surely the manufacturer did not get any of that money. But as the consumer is complaining why not have him go beyond the manufacturer and the tariff and the workingman, all of whom were paid out of the manufacturer's price, and find out who got the difference between \$4.29, which was the manufacturer's highest price, and the \$10 to \$25, which is the retailer's price? I do not assert that any of this money was wasted, or that it was not properly circulated in the community, where it did good, but in the interest of truth and justice I think it should be known that the manufacturer did not get it, and that the tariff has little or nothing to do with the price to the consumer.

I have taken the trouble during the last few days to inquire a little more fully into the tariff cost of a suit of clothes. It is difficult to get a worsted man who uses the long-staple wool to figure this out, and as a rule the carded-wool manufacturer, who uses the shorter staples and admixtures of wool, is also disinclined to tell just how it works out; hence I have put this question up to a manufacturer of yarn, who is as well posted upon all branches of the business as any man of whom I have knowledge. I told him to give me the worst side of it, and I am advised that the estimates presented are improbably high.

Mr. MURDOCK. Will the gentleman permit me?

Mr. MOORE of Pennsylvania. I will yield to the gentleman.

Mr. MURDOCK. The advertisement of the American Woolen Co. makes it appear that they make, and they say they make, annually 50,000,000 yards of cloth. Now, their net profit last year was something like \$4,200,000. That figured out would make their profit at the mill on a yard of worsted cloth about 7 cents. Does that follow the gentleman's figures?

THE FIXING OF PRICES.

Mr. MOORE of Pennsylvania. I am going to give the figures that will answer the gentleman's question. I want to say, before I quit the gentleman from Kansas, that the annual consumption of wool and wools in the United States is valued at about \$400,000,000; that is, the annual output of manufactured wool in the United States. We make in the United States three hundred and eighty millions worth of that consumption. The American manufacturer makes 95 per cent of all the wools consumed in the country. I am told, answering the gentleman's question further, that the American Woolen Co., while it is the largest of the carders and combers in the United States and is, perhaps, the largest single combination manufacturing both worsteds and wools, still produces only 15 per cent of all the output in the United States, and therefore does not control prices and does not constitute a trust that interferes with competition, and certainly could not control prices upward.

Mr. MURDOCK. Does the gentleman from Pennsylvania contend that in any given industry a trust must control a majority of the units in order to control prices? Does not the gentleman know that it is not necessary for a given organization to control a majority of the units in order to control prices? If the gentleman will read the ordinary textile journals he will find reference to the fact that small manufacturers in the country wait until the American Woolen Co. fix their prices, because they do not dare to make theirs before.

Mr. MOORE of Pennsylvania. I am not prepared to agree with the gentleman, so far as my information goes, but I will read an extract from a paper by Mr. Julius Forstmann, president of the Forstmann & Huffmann Co., of Passaic, N. J., and formerly a member of the German tariff commission, which bears upon this point.

Mr. Forstmann says:

I may say that I am very well informed about the conditions in this and the principal European markets, and I do not hesitate to assert most positively that, despite the fairy tales we hear of the Woolen Trust fixing the prices for American wools, there is not a single country where competition between woolen and worsted manufacturers is so keen as it is in the United States.

I have already observed to the gentleman that my information is that the American Woolen Co. does not produce more than 15 per cent of the entire output of the worsteds and wools of the United States. I will now yield to the gentleman from New York.

CONCERNING THE AMERICAN WOOLEN CO.

Mr. FITZGERALD. The gentleman from Kansas stated the capitalization and the profits of this concern—

Mr. MURDOCK. Mr. Chairman, I said that the American Woolen Co. announced that they made 50,000,000 yards of cloth

annually. Now, their net profits last year were \$4,200,000. These two figures ought to give the net profit of a yard of cloth at the mill.

Mr. FITZGERALD. What was the capitalization?

Mr. MURDOCK. Sixty million dollars.

Mr. FITZGERALD. And the average weekly wage was about \$7.30?

Mr. MURDOCK. So we have heard here to-day.

Mr. FITZGERALD. I wanted to see how the profits were distributed by this eleemosynary concern.

Mr. MOORE of Pennsylvania. I think some one, probably some Member from New England, may answer the gentleman on that point. I am not speaking for the American Woolen Co., although my information is that the American Woolen Co. does not produce or put on the market more than 15 per cent of the entire woolen and worsted production of the United States, and therefore is not such a trust as is indicated by the gentleman from Kansas or the gentleman from New York.

Mr. MURDOCK. Does not the gentleman think that the American Woolen Co. manufacturing 50,000,000 yards of cloth a year, and at a net profit of \$4,200,000, that those figures make it possible to figure out what the net profit per yard is at the mill?

NO EXCUSES FOR FALSE CAPITALIZATION.

Mr. MOORE of Pennsylvania. I am not posted on the financial affairs of the corporation. I am stating the facts as they come to me in relation to the American Woolen Co. and its influence in the business. The inference of the gentleman from New York with regard to wages paid by this particular concern may be answered by some one from New England, who knows more about the business than I do. As to the question of capitalization and profits raised by the gentleman from Kansas, I would say, on reflection, that an annual profit of \$4,000,000 on an investment of \$60,000,000 would not be excessive. It would be no more than the interest paid in some parts of the country upon mortgages which are certainly better security than bonds or stocks of an industrial corporation subject to all kinds of regulations as to liability and damages and periodical tariff tinkering. If the gentleman's objection were based upon false or watered capitalization, I would offer no excuses for those who indulge in such practices.

PURE WOOL AND FOREIGN MAKES.

Mr. MURDOCK. Mr. Chairman, I do not want to embarrass the gentleman, but is he talking about all-wool worsteds or worsteds made up of cotton warp and wool filling or worsteds made of wool and cotton yarn twisted together, because it makes all the difference in the world in figuring out the tariff whether it is one of the three varieties—all wool made of cotton warp with wool filling or all cotton and wool twisted together in the yarn. Is the gentleman talking about all wool?

Mr. MOORE of Pennsylvania. I am talking about all-wool garments. I observe also that the gentleman refers to admixtures of cotton. Of course, admixtures of other ingredients enter into this discussion and also enter very largely into the merits of complaints made by opponents—

Mr. MURDOCK. Necessarily, of course, because compensatory duties must enter into the relation of the tariff.

Mr. MOORE of Pennsylvania. And that raises the question whether or not the consumer, the man for whom the gentleman speaks and for whom I think I speak, wants an inferior, adulterated article, such as the cheap foreign grade, or a pure article, made by American workmen in American factories, of which we make most in this country.

Mr. MURDOCK. The point is, is not the American consumer to-day, under the present arrangement, paying an all-wool price and all-wool tariff and a compensatory duty of 44 cents a pound on a pound of clothing—is he not paying it, and, as a matter of fact, getting a piece of clothing that is 50 per cent only of wool?

Mr. MOORE of Pennsylvania. My information is that what he pays to-day when he buys the American garment is what he in part contributes to the producer of wool in the United States and the workmen in the United States. If he buys an article that is inferior, he is buying an article that is largely a matter of production in foreign countries and, so far as the material is concerned, an adulteration, since it contemplates the use of imported shoddy, mungo, waste, and rags. But, to answer the gentleman specifically, I am dealing now with what is understood to be pure wool, and my illustrations relate to pure-wool manufactures only.

REVEALING THE "MONSTER" TARIFF.

Now, let us "take off the lid" and investigate this "hydra-headed monster," the worsted tariff, that seems to give the gentleman from Kansas so much concern. Take what are known as

"common makes," such cloths as are made both by woolen and worsted manufacturers, cloths that bring \$1 a yard or thereabouts, remembering always that it takes 3½ yards to make a man's suit. The foreign value of that cloth, if weighing 16 ounces, is 40 cents a yard. In order to protect the dollar-a-yard cloth in the United States and keep the factories going here, how does the Payne bill treat the corresponding 40-cent yard of foreign cloth that undertakes to compete with us? Three and one-half yards at 40 cents a yard is \$1.40. First of all, it puts on the farmer's wool duty, which, at 33 cents a pound for scoured wool, is \$1.16; it then adds the ad valorem duty of 50 per cent now given to the manufacturer as a compensating duty for sorting, scouring, carding, combing, spinning, weaving, and the like, which, at \$1.40, is 70 cents. Add expenses of 14 cents for transportation, insurance, packing, and the like, and the total cost of that \$1.40 worth of foreign cloth, becomes, by virtue of the increased wages and expenses in the United States, \$3.40 for the 3½ yards. In other words, it is presumed to come up to the American price.

The total tariff, therefore, on the cloth for that suit of clothes, if imported, is \$1.16 farmer's wool duty plus 70 cents manufacturer's protective duty, or \$1.86. That is what the American consumer would pay on that suit of clothes if he were disinclined to keep the woolgrower, the manufacturer, and the workman busy in this country and preferred to have his cloth brought in from abroad. But under no circumstances should sight be lost of the fact that if he insists upon the removal of that barrier of \$1.86 against the incoming of the foreign-made cloth, he deprives the American woolgrower of a market for the 3½ pounds of scoured wool that would go into the suit, and he strikes a direct blow at the earning power of every American mechanic who in any way had to do with the production, the manufacture, or the distribution of the wool, and the list of those thus affected could be traced into almost every industry into which human labor is now employed in this country.

A VOICE FROM MINNESOTA.

Mr. STEENERSON. Mr. Chairman, the gentleman has spoken several times about the farmers.

Mr. MOORE of Pennsylvania. I mean the woolgrower, I would say to the gentleman from Minnesota. I understand the farmer is a raiser of sheep.

Mr. STEENERSON. Sure. My question is this: I heard the gentleman from Wyoming [Mr. MONDELL] and several other gentlemen familiar with the sheep industry say here that the price of wool to the farmer or the producer was about 16 cents and as low as 12 cents.

Mr. MOORE of Pennsylvania. Did he tell the reason why?

Mr. STEENERSON. Now, I want to know if the same class of wool when imported could be bought for 4 cents or whether the manufacturer did not give the farmer 11 cents. It seems to me there is a discrepancy between the price the farmer gets for the raw wool and the duty.

Mr. MOORE of Pennsylvania. Neither the manufacturer nor the farmer gets the duty. That goes to the Government, of course, and the theory of the Government is that it not only raises revenue, but that it protects the American industry, both upon the farm and in the factory.

Mr. STEENERSON. It ought to raise the price of the wool 11 cents.

Mr. MOORE of Pennsylvania. Yes; or protect it to that extent.

Mr. STEENERSON. Does it do it?

Mr. MOORE of Pennsylvania. It ought to raise the price, provided there is an American market for wool, which there is not at the present time, owing to tariff legislation. It does protect to that extent against foreign wool.

Mr. STEENERSON. We produce only 60 per cent of the total wool consumption.

Mr. MOORE of Pennsylvania. I think the proportion is about that.

CHEAP WOOL, CHEAP SHEEP.

Mr. STEENERSON. Mr. MONDELL stated, and I think the report on this bill says, that the United States produced only 56 per cent of the total wool consumption.

Mr. MOORE of Pennsylvania. We undoubtedly use more American wool in American factories than we use of foreign wool.

Mr. STEENERSON. I think the gentleman is entirely mistaken. I think we use more American wool than imported wool.

Mr. MOORE of Pennsylvania. I say we use more American than imported wool. Perhaps I did not hear the gentleman, or he did not hear me.

Mr. STEENERSON. Fifty-six per cent is the figure given.

Mr. MOORE of Pennsylvania. And I say, so long as the tariff agitation lasts, and the manufacturers can not do business,

and there is no demand for American wool, the price of wool naturally will go down. That is what it did during the Wilson-Gorman era. But that is no reason why conditions should be made worse than they are.

I do not know whether I ought to quote the gentleman, but Mr. COOPER of Wisconsin, in a talk outside of this House a little while ago, said that he recalled readily that under the old Democratic system sheep sold for 65 cents, wool, meat, and all; and another gentleman, who comes from the West, said he recalled when they sold for 50 cents. They may sell for that again, but in my section of the country we do not want to see them sell at such prices, for that means depression.

Mr. STEENERSON. But the gentleman has not answered the question of whether the farmer gets the enhanced price on account of the duty?

MANUFACTURERS DARE NOT BUY AHEAD.

Mr. MOORE of Pennsylvania. The farmer undoubtedly gets an enhanced price when there is a market for wool, but he can not get the price he has been getting unless a duty is levied upon imports of wool. The trouble now is that manufacturers dare not buy wool in advance nor proceed to manufacture extensively because of the tariff uncertainty.

Mr. STEENERSON. The gentleman from Wyoming said here in his speech a day or two ago that the difference between the price of wool grown here and that imported of the same grade is very close to the duty. How do you explain that the producer of wool did not get that 11 cents?

Mr. MOORE of Pennsylvania. I can only say to the gentleman that the theory of the law is that before a pound of foreign wool can come into this country in competition with the woolgrower, for instance, in the gentleman's State of Minnesota, that 11 cents a pound shall be paid on it at the customhouse. While the farmer does not get that particular 11 cents, the farmer gets the benefit of the barrier which the Government thus raises against foreign wool, which would displace the Minnesota or American wool had the barrier not been there.

Mr. STEENERSON. Is it not a fact the manufacturer of this country does not pay the producer of wool the price that he ought to have?

Mr. MOORE of Pennsylvania. I believe the American manufacturer pays the American wool producer as high a price as is paid for wool the world over, when there is a demand for the wool; and as American wool is as good as any other wool, the American manufacturer is as anxious to get American wool as he is any other kind of wool.

THE 11 CENTS PER POUND DUTY.

Mr. STEENERSON. I have never heard anybody explain specifically the reason why the producer of wool does not get the price of the same grade of imported wool with the duty added.

Mr. MOORE of Pennsylvania. Do you mean to say we should turn over to the wool producer the 11 cents which we collect at the customhouse?

Mr. STEENERSON. That is what your speech states the farmer gets.

Mr. MOORE of Pennsylvania. Oh, the gentleman misunderstands me.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. MOORE of Pennsylvania. Mr. Chairman, may I have a little more time?

Mr. MANN. How much more time?

Mr. MOORE of Pennsylvania. About 25 minutes, unless I am interrupted.

Mr. MANN. Mr. Chairman, by authority of the gentleman from New York [Mr. PAYNE], I yield to the gentleman from Pennsylvania 25 minutes additional.

Mr. MURDOCK. Mr. Chairman, I will not interrupt the gentleman any further if the gentleman will allow me—

DOES THE FARMER WANT FREE WOOL?

Mr. MOORE of Pennsylvania. Before the gentleman from Minnesota takes his seat I want to have it understood that I have never heard anyone in this House or anyone anywhere else indicate that the farmers of the country expected that the 11 cents collected on a pound of foreign wool at the customhouse was to be paid over to the farmer.

Mr. STEENERSON. I assume that the duty ought to enhance the price of wool in this country; if it does not do so, it is no use to have it for the benefit of the farmer—

Mr. MOORE of Pennsylvania. If it does not enhance the price, of course there is no use of the duty, except for revenue purposes.

Mr. STEENERSON. And we ought to have free wool.

Mr. MOORE of Pennsylvania. If the gentleman thinks we ought to have free wool, I think I can speak for the manufac-

turers sufficiently to say that if the farmer whom the gentleman represents is willing to accept free wool and meet the competition from abroad, that the manufacturers would not be hurt one cent's worth. They have been standing with the producer of wool and have given him the benefit of the American price for wool. It is not, as I understand it, a matter of great concern to the manufacturer at all. Free wool is the woolgrower's affair; but the manufacturer, in my judgment, should stand up with the rest of his fellow-citizens and producers in the United States and maintain the Republican system of protection, even if there be some who reject its advantages.

Mr. Chairman, I am afraid I can not make the matter more clear to the gentleman from Minnesota [Mr. STEENERSON], and I shall proceed.

MANUFACTURERS' PROFIT 5 CENTS A YARD.

It makes no difference what the consumer pays the department store for domestic goods or what he pays the merchant tailor, the Government, and not the manufacturer, would get the \$1.86 out of that suit of clothes; the farmer would get an American rate for his wool; and the net profit of the American manufacturer, according to the estimate given me, would be only 5 cents a yard on $3\frac{1}{2}$ yards of cloth, or $17\frac{1}{2}$ cents in all. Surely such a profit to the maker of the cloth, in view of the price at which it is laid down to the tailor or ready-made-garment maker, is not sufficient to justify the terrific assault that has been made upon the men who invest their money in industrial enterprises and take all the risk incident to the manufacturing of cloth and its various component parts.

I am taking pains to give this illustration, because I think the man who inveighs against the woolen schedule ought to know exactly what he is doing, and he at least ought to be in a position to know the truth. I have had examples on "common makes" worked out for 14-ounce cloth, on which the tariff for $3\frac{1}{2}$ yards is shown to be \$1.71, and on 12-ounce cloth, \$1.57. In each instance the cloth manufacturer's profits, notwithstanding all his risks and expenditures and the labor cost, was not in excess of 5 cents a yard. And I am told that whereas numerous manufacturers would be willing to enter into long-term contracts to accept 5 cents a yard profit on the best woolen and worsted cloths turned out by them, yarn manufacturers would be equally well satisfied with a profit of 5 cents a pound.

AN AMERICAN-MADE SAMPLE.

There is another way of bringing the consumer to a better understanding of this situation. If he will buy a piece of cloth from the manufacturer or the dealer in cloth, he will very readily find what it costs to have a suit of clothes made, over and above all tariff and manufacturers' charges. A few months ago a distinguished citizen of Rhode Island, not knowing my interest in this question, presented me with $3\frac{1}{2}$ yards of cloth which had been made at one of the mills in that State. He wanted me to have it made into a suit to be worn at the opening session of Congress. Subsequently, at my request, he gave me the following statement with regard to this American product:

This cloth at the time it was manufactured and placed on the market sold at \$2.25 net per yard at the mill. What this amount represented is shown by the following table:

Profit per yard.....	\$0.10
General expenses and selling cost, per yard.....	.08
Labor cost, per yard.....	.42
Dyeing (dyestuffs and general expenses of dyeing).....	.10
Yarns used, 20 ounces, at \$1.25 per pound.....	1.55
Total.....	2.25

At \$2.25 per yard, a very good price for cloth—in fact, a very high American price—the total cloth cost of that $3\frac{1}{2}$ -yard suit was \$7.87 $\frac{1}{2}$.

Mr. MURDOCK. That was $3\frac{1}{2}$ yards?

Mr. MOORE of Pennsylvania. Yes.

Mr. MURDOCK. How much profit per yard?

Mr. MOORE of Pennsylvania. Ten cents; 35 cents in all.

That paid all the manufacturer's charges and all the wages, and put the tariff behind it. The manufacturer's profit on this special $3\frac{1}{2}$ yards was 35 cents.

WHERE THE COST COMES IN.

Now let us see how this problem works out, and let the consumer have the truth as to the whole transaction. The "robber baron" manufacturer and the tariff are now out of it altogether. The profits of the farmer, the manufacturer, the workingman, and the Government were all covered by that \$7.87 $\frac{1}{2}$.

I sent that cloth to a tailor whom I know very well and like very much. We have had many friendly discussions about the tariff and its alleged iniquities and about the high profits to the manufacturer of cloth. "Did you get that cloth?" I said. "Yes; that is good stuff. Did you get it from the other side?" "No," I said, "it was made in the United States—made up in

Rhode Island. What will you charge for making it up?" "Well, it will cost you \$30." "Why, I thought you said the tariff was responsible for the high cost of clothing? That whole bolt of cloth, tariff included, cost only \$7.87 $\frac{1}{2}$." "Well," he said, "you know labor and other expenses have a great deal to do with it." "Yes," I said; "I think I can see it now; that \$30 does not go to the manufacturer, and it does not go to the tariff; it goes into the rent of your fine store. It pays your cutters and seamstresses. It pays for your electric lights, and your liveried messengers, and your delivery wagons, and it pays for your advertising, and the literature you put out—and it is not the tariff after all."

Now, I think this illustration shows where the consumer's money goes, whether he buys groceries, or farm produce, or clothing.

BETTER TO SPEND MONEY HERE.

But in order to trace out the tariff in that $3\frac{1}{2}$ yards of Rhode Island cloth at \$7.87 $\frac{1}{2}$, I again consulted my yarn manufacturer friend with this result: If that cloth weighed 16 ounces and was worth \$2.25 per yard in the United States, its foreign value would have been \$1.12 per yard, or \$3.92 for all. If that cloth had come from England instead of Rhode Island, the Payne law would have added to the \$3.92 of foreign value the farmer's specific wool duty of \$1.54; the manufacturer's ad valorem duty against the various steps in the process of manufacture abroad, of \$2.16, and incidental expenses, 26 cents, making up the full American value. If the cloth had been lighter and weighed 14 ounces, the duty would have been \$3.58, and if it had been 12 ounces, the duty would have been \$3.47.

So the tariff on that \$7.87 $\frac{1}{2}$ of cloth made into a suit for \$30, therefore, would have been \$3.70—that is, if I had preferred to buy the cloth at the low English rate and cut out the American industries affected. But having permitted the charge of \$3.70 to be raised against an importation of English cloth at the customhouse, I would at least have the satisfaction of knowing that by purchasing an American-made article I had promoted the welfare of the American wool-grower, had helped to keep the American mills employed, and had so provided for those industries that if some one else desired to bring in the English garment they would, to the extent of the tariff they would be obliged to pay, relieve our citizens of a more direct tax for the revenue needed to run the Government. Speaking for myself, as the consumer in this instance, I would rather have that duty charged up against me on the one or two suits of clothes I buy a year than to have the sheep ranchers of this country put out of business, the mill districts depopulated for the advantage of our competitors on the other side of the water, with the further certainty of a resort to some direct form of taxation to keep the Government going. [Applause.]

THE READY-MADE CLOTHING CONTROVERSY.

Mr. LONGWORTH. Will the gentleman yield for a question? Mr. MOORE of Pennsylvania. I will.

Mr. LONGWORTH. When the Payne law was being considered by the Ways and Means Committee a number of woolen manufacturers made this sort of a statement, that while they admitted it was true a custom-made, high-grade suit of clothes cost substantially less in England than it did here, that a ready-made suit of clothes of a comparatively cheap cloth was no higher here than it was in England. Has the gentleman made any investigation as to that?

Mr. MOORE of Pennsylvania. I referred to that in a general way in the earlier part of my remarks.

Mr. LONGWORTH. I did not hear the gentleman.

Mr. MOORE of Pennsylvania. I understand some of the conditions that prevail in the gentleman's own city, Cincinnati, with regard to a complaint made as to the quality of cloth that entered into ready-made goods. It involves the question of adulteration and was referred to the other day by the gentleman from Kansas [Mr. MURDOCK], and it has been answered time and again by experts. I am not sufficiently expert to answer it, but I will say to the gentleman that undoubtedly there are two sides to that story.

Mr. FOWLER. Mr. Chairman—

The CHAIRMAN. Will the gentleman from Pennsylvania yield to the gentleman from Illinois?

Mr. MOORE of Pennsylvania. I yield to the gentleman.

Mr. FOWLER. I ask unanimous consent that my colleague [Mr. MANN] be permitted to answer the question just propounded.

Mr. MANN. A parliamentary inquiry, Mr. Chairman. If I should do that, would I be authorized to insert after my question "applause," whether it occurred or not? [Laughter.]

Mr. MOORE of Pennsylvania. Under the circumstances, Mr. Chairman, I feel, as this is a request for unanimous consent, that I would have to object. I need the time.

DISADVANTAGES OF THE MANUFACTURER.

With the permission of the House I intend to append to this address certain statistical statements, showing the great advantage foreign manufacturers have over American manufacturers in the matter of overhead charges, cost of machinery, and wage scale. None of these factors entering into the cost of production are taken into account by the Underwood bill. Neither does that bill give any promise of relief to the manufacturer in the matter of the charges to which he is subject, apart from labor cost. These have been so well set forth in a recent brochure by Mr. Julius Forstmann, that I quote from him the following summary:

1. Capitalization of mill.
2. Erecting and organizing mill: Building material, labor, and supplies. Equipment—machinery, etc. Organization of plant.
3. Operating and maintaining mill: Management and supervision. Wages. Raw material, general supplies. Interest. Repairs and allowance for depreciation.
4. Outlet for goods: Domestic market. Foreign market.

Nor does Mr. Forstmann mention employers' liability in accident or damage cases, nor insurance, which are serious considerations to every employing manufacturer.

BRICK HOUSES NOT IMPORTED.

Mr. CULLOP. Mr. Chairman, does the gentleman yield?

The CHAIRMAN. Does the gentleman from Pennsylvania yield to the gentleman from Indiana?

Mr. MOORE of Pennsylvania. Yes.

Mr. CULLOP. I want to ask the gentleman this question: In the erection of a mill, is there any tariff on the labor expended by those men who erect it?

Mr. MOORE of Pennsylvania. I do not know whether the gentleman is raising a philosophical question or not, but—

Mr. CULLOP. I ask whether there is any tariff on the labor of a brickmason or bricklayer when he builds the house—the finished product?

Mr. MOORE of Pennsylvania. There may be a tariff on some of the materials that enter into the construction of the house.

Mr. CULLOP. No. What I wanted to know is whether there is any tariff on his finished product when he builds the house?

Mr. MOORE of Pennsylvania. The gentleman refers to the workman in the building trade? I want to get the gentleman's meaning.

Mr. CULLOP. No; I am referring to his labor. There is no tariff on the labor of brick masons.

Mr. MOORE of Pennsylvania. I asked if the gentleman's question was philosophic, and I think it is. The gentleman from Indiana evidently agrees with the gentleman from Wisconsin [Mr. BERGER] who spoke this morning and indicated that there was free trade in labor. I am inclined to think it will be very difficult to have free trade in labor when one man may have skill and another man no skill and when one man may be a constitutional lawyer and another man may be an ignoramus.

HERE IS A NEW PROBLEM.

Mr. CULLOP. Is there any tariff on the brick house when it is done—when the labor of the workman has been expended upon it?

Mr. MOORE of Pennsylvania. No; the existing tariff law raises no barrier against the erection of a house.

Mr. MANN. It would if it were imported.

Mr. MOORE of Pennsylvania. Yes; in that case it should. We import wool and woolen manufactures, but I have not heard of anybody so progressive as to enter into the business of importing ready-made houses. [Laughter.]

But, speaking of the manufacturer, Mr. Chairman: He erects a mill, pays American building-trade wages, invests and risks his capital, and makes purchases of various commodities and materials upon which there are tariff duties. If his protection as a manufacturer is to be denied, will he be able to purchase the commodities he uses at a lower rate than heretofore? Here is a new problem.

The gentleman from Illinois [Mr. FOWLER], a little while ago, wanted to know if I expected this bill to pass in another body. I said the gentleman from Alabama [Mr. UNDERWOOD] has declared that a general revision is intended, and now I raise the question whether, having made an attempt to reduce the duty on the products of the manufacturer, the Democratic Party proposes to reduce the duty on those commodities and materials which the manufacturer must necessarily use in his business? Are you going to cut him down and leave his working materials at the present rate?

WILL ATTEMPTS AT REVISION CONTINUE?

I am putting to you a question that does test the sincerity of the gentlemen on the other side. If the manufacturer is denied protection, will the duties be removed from machinery, chem-

icals, oils, soaps, and dyestuffs that he uses in his business? He buys much of his machinery from abroad. He buys oils and dyestuffs in large quantities. If he is denied protection for those things he manufactures, will the duties be removed from these adjuncts to his business? Or is it the purpose of this bill to pick him out and make him the victim of a free-trade or tariff-for-revenue policy, while the barriers stand against everything he purchases?

Now, if the gentleman from Illinois [Mr. FOWLER] wants to tell the position of the Democratic Party on this question, I think the country would like to be informed, because there are men engaged in these lines of business who are disturbed and will undoubtedly continue to be disturbed as announcements come from the gentleman from Alabama [Mr. UNDERWOOD]. Does your party propose to revise these other schedules when you get through with this one?

Mr. UNDERWOOD. Mr. Chairman, will the gentleman yield? The CHAIRMAN. Does the gentleman from Pennsylvania yield to the gentleman from Alabama?

Mr. MOORE of Pennsylvania. Yes; with pleasure.

MR. UNDERWOOD SAYS YES.

Mr. UNDERWOOD. I was not present when the colloquy which the gentleman refers to occurred. I would not stop to ask the gentleman a question, because the announcement of the Democratic Party on the tariff has been so thorough and so well understood that the question which the gentleman asked is almost an absurdity, as it seems to me. We have announced that we intend to revise this tariff from top to bottom. The only thing that will stop us from revising it from top to bottom is the Republican Senate and the Republican President. If they stop it, we will make an appeal to the country.

Mr. MOORE of Pennsylvania. I want to thank the gentleman for his frankness, and I desire to confirm his statement that he was not present when the gentleman from Illinois [Mr. FOWLER] repeatedly asked me to say whether I expected this bill to pass the Senate. I asked the gentleman from Illinois [Mr. FOWLER] if it was not the Democratic policy, as announced by the gentleman from Alabama, the leader on that side of the House, to press not only this bill but other tariff-revision bills all along the line, so that every industry of the country would be affected by this sort of tinkering. I said I did not question the sincerity of the gentleman from Alabama, and I had to repeat it many times in response to inquiries by the gentleman from Illinois [Mr. FOWLER]. I think it will be remembered that I treated the gentleman from Alabama [Mr. UNDERWOOD], with all fairness in his absence, and wanted it understood that I took him at his word, because I believe him to be a man of his word, and I believe the industries of this country must, as a result of his word, be put upon their guard.

MR. FOWLER COMES BACK.

Mr. FOWLER. Mr. Chairman—

The CHAIRMAN. Does the gentleman from Pennsylvania yield to the gentleman from Illinois?

Mr. MOORE of Pennsylvania. Yes; I do.

Mr. FOWLER. Did I not say that it was the intent of the Democrats in this House to pass this bill, and that we would pass it?

Mr. MOORE of Pennsylvania. I did not understand you to say that in those words, because you were endeavoring to find out whether I believed your party was sincere, and I did not know whether you were speaking by authority of the Democratic caucus; but I undertook to make it plain that I accepted the edict of your caucus; I believed that you meant what you said.

Mr. FOWLER. Is it not a fact that you charged that it was a hypocritical pretense of reducing the tariff?

Mr. MOORE of Pennsylvania. I did not say anything of the kind.

Mr. FOWLER. Not in so many words; but was not that the idea?

Mr. MOORE of Pennsylvania. The language used by the gentleman was not used by me. Our colloquy was pleasant, but direct, as I recall it.

A QUESTION OF SINCERITY.

Mr. FOWLER. I repeat, is it not a fact that I said to you that the Democrats in this House expected to pass this bill?

Mr. MOORE of Pennsylvania. Yes; but I did not quite understand that you had authority, in the absence of the gentleman from Alabama [Mr. UNDERWOOD] to speak for the Democrats, and that is the reason I was trying to find out whether you were sincere in endeavoring to pass a bill of such momentous importance to the country.

Mr. FOWLER. Was I not inquiring of you as to whether you were sincere in saying that the business of this country

will be depressed because we were trying to pass a legitimate tariff bill?

Mr. MOORE of Pennsylvania. I said that in the introduction of this bill you greatly depressed the business of the country, particularly in the textile industries. I repeat that statement now. And I believe, if you persist in endeavoring to pass this kind of legislation, you will ultimately bring disaster in industrial circles throughout the country.

Mr. FOWLER. And were you not forced to say that the principal places where those industries were oppressed and depressed were where they had been in that condition for years in the past?

Mr. MOORE of Pennsylvania. I think I did not say anything of the kind.

Mr. FOWLER. Is not that a fact?

Mr. MOORE of Pennsylvania. I think that question was raised by my Democratic colleague [Mr. DONOHUE] of Pennsylvania, and I recall having said that while there had been depression in the past, there has been no depression like unto this since the days of the Wilson-Gorman tariff bill, when the people in the district of my Democratic colleague and the people of the district which I represent walked the streets of Philadelphia without work, and were applicants at the soup houses, many of them, for the means of sustenance.

THE PANIC OF 1907.

Mr. FOWLER. How was that, my friend, in your city in the year 1907?

Mr. MOORE of Pennsylvania. I do not recall that that was a tariff year. There was no tariff agitation in 1907.

Mr. FOWLER. That is correct, but it was a panic year, though.

Mr. MOORE of Pennsylvania. That may have been.

Mr. FOWLER. And you are comparing the panic years of the nineties with the good times that prevailed in other years, when you know as a matter of fact that every time a panic comes everything falls under the weight of the panic.

Mr. MOORE of Pennsylvania. I know that always happens under Democratic auspices, to answer the gentleman plainly.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. MOORE of Pennsylvania. Give me three minutes to finish.

Mr. MANN. I yield to the gentleman three minutes out of the time of the gentleman from New York [Mr. PAYNE].

The CHAIRMAN. The gentleman from Pennsylvania is recognized for three minutes more.

THE BILL MENACES CAPITAL AND LABOR.

Mr. MOORE of Pennsylvania. The effect of this bill is to take away from the manufacturer such support as he has and to leave his working materials high in the air, costing the same old prices. Altogether, it seems to me that no bill that has been brought into this House since I have been a Member of it, not excepting the reciprocity bill, and its unhappy counterpart, the farmers' free-list bill, has been so fraught with misgivings and uncertainties as is this proposed revision of the woolen schedule. It menaces the employment of more than 168,000 men and women employed, in 1909, in 913 establishments, at better wages than are paid in any other country in the world. It threatens capital invested in these establishments to an amount exceeding \$415,000,000. (Census of 1909.) It threatens to drive much of that capital into foreign countries by the simple process of encouraging foreign industry over American industry. For these reasons I am opposed to the bill and hope it will not pass. [Applause on the Republican side.]

EXHIBIT I.

UNITED STATES CENSUS TABLES SHOWING IMPORTANCE OF WOOL AND WOOLEN INDUSTRY.

Comparative figures for the censuses of 1909, 1904, and 1899 are as follows:

Woolen and worsted goods—Comparative summary: 1909, 1904, and 1899.

	Census—			Per cent of increase, 1899 to 1909.
	1909	1904	1899	
Number of establishments.....	913	1,018	1,221	25
Capital.....	\$415,465,000	\$302,767,000	\$256,554,000	62
Cost of materials used.....	\$273,466,000	\$197,489,000	\$148,087,000	85
Salaries and wages.....	\$79,214,000	\$61,433,000	\$50,126,000	58
Miscellaneous expenses.....	\$21,347,000	\$16,530,000	\$14,036,000	52
Value of products.....	\$419,826,000	\$307,942,000	\$238,745,000	76
Value added by manufacture (products less cost of materials).....	\$146,360,000	\$110,453,000	\$90,668,000	61
Employees:				
Number of salaried officials and clerks.....	5,325	4,324	3,615	47
Average number of wage earners employed during the year.....	162,914	141,998	125,901	29

QUANTITIES AND COSTS.

The following statement gives the quantities and costs of materials used in 1909 and 1899, exclusive of mill supplies, soap, oil, fuel, etc.:

Materials used—Quantities and costs: 1909 and 1899.

Items.	1909		1899		Per cent of increase in quantity, 1899 to 1909.
	Pounds.	Cost.	Pounds.	Cost.	
Purchased in raw state:					
Wool, foreign and domestic, in condition purchased.....	474,751,000	\$136,665,000	330,179,000	\$78,804,000	44
Equivalent of above, in scoured condition.....	289,703,000		192,706,000		50
Animal hair and fur—					
Camel, alpaca, and vicuna hair.....	4,637,000	1,416,000	1,981,000	426,000	134
Mohair, domestic and foreign.....	3,268,000	983,000	3,023,000	1,432,000	8
Buffalo, cow, and other animal hair and fur.....	17,356,000	933,000	20,535,000	1,171,000	15
Raw cotton.....	20,055,000	2,522,000	40,245,000	3,280,000	50
Purchased in partially manufactured form:					
Tailors' clippings, rags, etc.....	40,392,000	2,855,000		(^c)	
Shoddy.....	21,554,000	3,063,000	33,037,000	4,071,000	35
Wool, camel, etc., and mohair waste and noils.....	27,311,000	7,537,000	15,714,000	3,891,000	74
Tops.....	20,828,000	14,615,000	5,566,000	2,866,000	274
Yarns:					
Woolen.....	2,631,000	1,092,000	5,907,000	2,675,000	55
Worsted.....	58,709,000	55,576,000	25,111,000	19,495,000	134
Merino.....	710,000	226,000	2,035,000	665,000	80
Cotton.....	39,109,000	10,492,000	35,343,000	6,814,000	11
Silk.....	120,000	609,000	60,000	291,000	100
Spun silk.....	170,000	530,000	71,000	239,000	139
Linen.....	13,000	14,000	9,000	8,000	44
Jute, ramie, and other vegetable fibers.....	1,134,000	27,000	1,119,000	57,900	1
Chemicals and dyestuffs.....		8,821,000		6,595,000	
All other materials which are components of the products.....		3,639,000		3,428,000	
Shoddy made in mill for use therein.....	32,067,000		35,626,000		10
Total.....		\$251,631,000		\$136,208,000	

¹ Exclusive of the cost of soap and oil, mill supplies, and other items which are not components of the products.

² Included in "All other materials, etc."

³ Decrease.

EXHIBIT II.

COMPARATIVE TABLES FOR AMERICA AND GERMANY WITH COMMENTS THEREON BY JULIUS FORSTMANN, PRESIDENT FORSTMANN & HUFFMANN CO., PASSAIC, N. J.
(FORMER MEMBER OF THE GERMAN TARIFF COMMISSION).

A. BUILDINGS.

Comparative unit costs of labor and materials required in the construction of a mill building suitable for woolen or worsted manufacturing.

	In Germany.	In United States.	Excess cost in United States.
			Per cent.
Excavation, per cubic yard.....	0.184	0.281	53
Concrete, per cubic yard.....	3.85	5.40	40
Brickwork, per cubic yard.....	4.41	9.45	115
Roofing, per square foot.....	.12	.19	58
Skylights, per square foot.....	.30	.40	33
Cement floor, per square foot.....	.05	.08	60
Cast and wrought iron, per pound.....	.0241	.0337	40
Doors, windows, painting, etc.....			30
I-beams, per ton of 2,200 pounds.....	32.14	44.00	37
500-horsepower cross compound Rice & Sargent engine, including condenser erected on foundation.....	8,500.00	12,700.00	49
Fire-tube boilers, per 100 pounds.....	3.60	4.90	36
Shafting.....			75
Piping and covering.....			30
Electric lighting and motors.....			20
Chimney.....	2,250.00	5,300.00	130
Average percentage of excess cost in United States for above units of construction.....			53½
Laborers, per hour.....	.071	.20	185
Bricklayers, per hour.....	.143	.60	322
Carpenters, per hour.....	.12	.45	280
Sheet-metal workers, per hour.....	.131	.45	243
Ironworkers, per hour.....	.131	.525	300

The foregoing are exact figures obtained at date hereof from very prominent American and German mill contractors and constructors.

B. MACHINERY.

Imported machinery pays 45 per cent duty, and the packing, forwarding, and freight charges amount to from 10 to 15 per cent additional.

As outlined in the foregoing statement, domestic machinery used in woolen and worsted manufacturing is not quite so expensive as European machinery, but in many cases the domestic machinery has not been so fully perfected as the European machinery, and is therefore less effective, and this fact tends to neutralize the difference in cost.

From the foregoing figures, compiled under A and B, it can be seen that the cost of a mill in the United States is 55 per cent higher than that of a mill of equal capacity in Germany; and the German figures may well be taken as an average for European countries in general.

Comparative wages paid in woolen and worsted mills in the eastern part of the United States and in Germany.

[Figures for Germany represent in each case the average wage paid by leading firms in six of the principal woolen centers. The actual wages differ in each locality, but the amounts given below represent the average weekly wage.]

	Average wage per week of 56 working hours.		Ratio of United States wages to German in per cent.
	Eastern United States.	Germany.	
Worsted spinning (French system): ¹			
Head wool sorter.....	\$26.00	\$9.60	271
Wool sorter.....	15.50	3.75	413
Wash house overseer.....	22.00	6.10	361
Card room overseer.....	22.00	6.35	341
Combing room overseer.....	23.75	8.30	286
Drawing room overseer.....	23.50	9.45	249
Mule spinning overseer.....	21.00	9.05	232
Ring spinning overseer.....	22.00	8.95	246
Twisting and reeling overseer.....	21.00	8.50	247
Wool washers.....	8.20	4.90	167
Card strippers.....	8.20	5.10	161
Card feeders.....	7.60	4.35	175
Combs.....	7.25	2.90	250
Backwashers.....	5.90	2.80	211
Gill boxes.....	5.40	2.90	186
Drawing gills.....	5.70	3.00	190
Drawing frames.....	6.35	2.85	223
Roving frames.....	5.95	3.20	186
Mule spinners.....	13.00	6.40	203
Mule spinners' helpers.....	6.60	3.55	186
Ring spinners.....	5.85	3.25	180
Twisters.....	6.20	3.25	191
Winders and reelers.....	6.10	3.05	200
Cylinder room overseers.....	11.20	5.90	190
Cylinder room overseers' helpers.....	6.20	3.40	182
Needle setters overseers.....	11.20	4.35	257
Needle setters overseers' helpers.....	7.85	3.35	234
Engineer.....	20.00	10.40	192
Engineer helpers.....	11.20	6.40	175
Firemen overseer.....	12.60	7.30	173
Firemen overseers' helpers.....	11.50	6.60	174

¹ The Bradford system of worsted spinning is not used at all in Germany.

² The wool sorting in the United States is done principally by men and in Germany by women.

Comparative wages paid in woolen and worsted mills, etc.—Continued.

	Average wage per week of 56 working hours.		Ratio of United States wages to German in per cent.
	Eastern United States.	Germany.	
Worsted spinning, etc.—Continued.			
Yard laborers overseer.....	\$16.00	\$7.75	206
Laborers, all around.....	8.80	4.70	187
Woolen spinning:			
Boss spinner.....	32.00	11.50	279
Foreman.....	18.00	5.50	327
Spinner.....	14.00	5.60	250
Spinner's helper.....	6.00	2.75	218
Card cleaner.....	8.50	4.20	202
Carder.....	8.50	3.70	230
Laborers for various kinds of work.....	8.00	3.60	222
Weaving:			
Boss weaver.....	25.00	10.15	246
Loom fixer.....	17.30	6.70	258
Warping room foreman.....	18.30	7.00	261
Sizing room foreman.....	17.00	6.30	270
Drawing in foreman.....	15.30	6.30	243
Examining room foreman.....	16.30	6.50	251
Weaver.....	9.20	4.65	198
Warper.....	8.30	5.05	164
Spooler.....	4.55	2.30	198
Sizer.....	8.00	4.60	174
Sizer's helper.....	7.45	3.60	207
Drawer in.....	9.40	5.00	188
Hander in.....	4.95	3.00	165
Warp twister.....	8.55	6.25	137
Examiner.....	9.50	6.00	158
Laborers.....	7.55	4.00	189
Dyeing:			
Head dyer.....	52.00	19.25	270
Dye house foreman.....	15.00	7.20	208
Dye tub man.....	9.60	4.30	223
Rinsing machine man.....	8.40	4.05	207
Finishing:			
Burling—			
Head overseer.....	23.00	8.30	277
Assistant overseer.....	17.00	6.50	262
Operatives.....	6.50	3.00	217
Scouring—			
Head overseer.....	18.00	9.20	196
Assistant overseer.....	12.00	6.40	188
Operatives.....	8.00	4.10	195
Carbonizing—			
Overseer.....	13.00	7.40	176
Operatives.....	8.00	3.90	205
Fulling—			
Overseer.....	23.00	8.75	263
Operatives.....	8.35	4.05	206
Teazling—			
Head overseer.....	22.00	9.45	233
Assistant overseer.....	18.00	6.35	283
Operatives.....	8.25	4.80	172
Steaming—			
Overseer.....	13.00	4.85	268
Operatives.....	9.90	4.45	222
Drying:			
Head overseer.....	18.00	6.65	271
Assistant overseer.....	13.00	4.45	292
Operatives.....	7.50	4.05	185
Shearing:			
Head overseer.....	23.00	8.50	271
Assistant overseer.....	20.00	6.75	296
Operatives.....	7.00	4.05	188

Comparative wages paid in woolen and worsted mills, etc.—Continued.

	Average wage per week of 56 working hours.		Ratio of United States wages to German in per cent.
	Eastern United States.	Germany.	
Pressing and glossing:			
Head overseer.....	\$21.00	\$7.20	292
Assistant overseer.....	13.00	6.70	194
Operatives.....	9.70	4.70	206
Examining:			
Head examiner.....	\$15.00	\$6.85	219
Examiners.....	12.00	5.20	231
Putting up:			
Overseer.....	16.00	5.50	291
Operatives.....	9.50	4.20	226

The above figures are based on the following conditions: Throughout Germany experienced, skilled labor is generally available for all positions in woolen and worsted mills. In America skilled labor must of course be used for the more important positions, while in very many American woolen centers the ordinary operatives are mostly drawn from what is absolutely unskilled labor and are on the whole inexperienced and consequently much less efficient than in Germany. For this reason more people are necessary to do the same amount of work, consequently requiring more foremen to oversee the work of a given number of operatives. The wages given for the United States in the above tables are furnished by mills having mostly unskilled labor, and while they show that the average wages paid in American woolen and worsted mills for the various occupations, compared with those paid by mills of the same capacity in Germany, are in the ratio of 224.92:100, it will also be seen therefrom that the excess paid in the United States to overseers, assistant overseers, and those doing more important work necessitating special skill and judgment is considerably above this average. If there were employed in the American mills by which the above figures have been furnished ordinary operatives equally as skilled as those employed in the German mills on whose wage lists the above absolutely correct figures are based, then the difference between the wages quoted for ordinary operatives in the United States and in Germany would be much greater and the ratio above given would be considerably higher.

Development of woolen and worsted manufacturing in the United States, 1889-1909.

(Compiled from reports of United States Census Bureau.)

	Total number of employees.	Total salaries and wages paid.	Average annual wages paid.	Value of products.	Remarks.
1889..	122,944	\$44,359,114	\$361	\$212,772,629	Tariff law of 1883; McKinley bill, 1890; Wilson bill, 1894; Dingley bill, 1897.
1899..	129,516	50,126,000	387	238,745,000	Dingley bill, 1897.
1904..	146,322	61,433,000	419	307,942,000	Do.
1909..	168,239	79,214,000	478	419,826,000	Payne-Aldrich bill, 1909.

¹ Preliminary figures issued by Census Bureau.

Increase in value of products 1904-1909 was greater than in any 10 years prior to 1900.

EXHIBIT III.

COMPARISON OF WAGES AND LIVING CONDITIONS IN UNITED STATES AND ENGLAND.

[Letter of Mr. Harrison Benn, of England and America, dated Beckside Mills, Great Norton, Bradford.]

In order to put before the public a correct statement of the comparative cost of living, together with the wages paid in England and America, it is advisable to have as near as possible the same conditions, both as to locality and the quality of work. As chairman of a company with mills in Clayton and Bradford and president of a corporation with mills in Greystone, near Providence, R. I., America, I am in a practical position to weigh the advantages and disadvantages of free trade and protection.

The English and American mills comb, spin, and weave exactly the same classes of wool, alpaca, and mohair, and the same qualities of yarns and cloth are interchangeable. The machinery in all the mills are identically the same. Many of the work people at Greystone worked in our Bradford mills. At Clayton and Greystone are cooperative stores managed entirely by the workmen, and it would be very difficult, if not impossible, to obtain fairer conditions for comparing the cost of living in the two countries.

A great amount of discussion is now being carried on regarding the prices of the "food of the people," and in order that every family can ascertain the difference in the cost of living between free-trade England and protectionist America, I give below a list of prices of some "everyday necessary articles of food." The Greystone price list is dated December 10, 1909, and signed by the secretary of the cooperative stores, and the Clayton price list is of a more recent date. For convenience and simplicity I have translated the American "cent" as being equal to 1 halfpenny.

	Clayton cooperative prices.	Greystone cooperative prices.
Best flour, per stone of 14 pounds.....	s. d. 2 1	s. d. 2 3
Best butter, per pound (Danish).....	1 5	1 4
Best lard, per pound.....	0 9	0 7½
Best cheese, per pound.....	0 10	0 10
Sugar.....	0 2½	0 2½
Currants.....	0 5	0 6½
Raisins.....	0 7	0 7½
Ceylon tea.....	1 11	1 10
Coffee.....	1 8	1 2
Onions.....	0 1½	0 2½
Ham.....	1 1	1 3
Bacon (Irish).....	1 0	0 10
Apples.....	0 2½	0 1½
Rice.....	0 3½	0 4½
Milk, per quart.....	0 3	0 3
Vinegar, per quart.....	0 4	0 3½
Nestle's Swiss milk, per tin.....	0 5½	0 3½
Potatoes, per stone of 14 pounds.....	0 8	12 5
Bananas, per dozen.....	0 8	0 6½

¹ American.

ENGLAND AND RHODE ISLAND COMPARED.

A Bradford butcher employed by the Greystone cooperative states the joints are not cut the same, but the prices realized for the whole animal are just about the same as in England.

Although coal is dearer, I question if the fuel cost per family for 12 months is as much as in England, owing to the general use of slow-combustion stoves.

I have ascertained the quantities of the above-named "everyday necessary articles of food" consumed by families, ranging from 2 to 13 persons, and find the average cost to each Greystonian is 3½d. per week more than the Claytonian. A family of 5 persons will jointly have to earn 1s. 6½d. more per week to be equal to a Claytonian.

Having arrived at the cost of living as shown above, I give below the wages paid at Clayton and Bradford for 55½ hours per week and at Greystone for 56 hours.

	Clayton and Bradford.	Greystone.
Woolsorters (day work), per week.....	s. d. 32 0	s. d. 66 8
Men box minders.....	17 6	33 4
Noble comb minders.....	20 0	39 7
Can gill minders.....	12 6	29 2
Drawers.....	12 6	29 2
Rovers.....	11 0	29 2
Spinning overlookers.....	30 0	62 6
Girl spinners (according to number of spindles).....	11 3	25 6
Doffers.....	9 0	18 9
Girl twistlers.....	11 0	29 2
Girl warpers.....	13 0	33 4
Weavers.....	15 10	46 9
Weaving overlookers.....	36 0	66 8
Joiners.....	31 10	62 6
Mechanics.....	30 0	62 6
Stokers.....	25 0	50 0

EXHIBIT IV.

WAGES IN GERMANY.

[From Consul General Frank Dillingham, Coburg.]

The following statistics, showing the rates of wages paid in the Duchy of Coburg, are supplementary to a report covering the prices of foodstuffs in the Duchy, published in the Daily Consular and Trade Reports for November 23, 1910. The working day is 10 hours.

Class of employees.

Bricklayers.....	\$1.07 to \$1.19
Carpenters.....	.83 to .95
Painters.....	.83 to .86
Plumbers.....	1.00 to 1.20
Compositors.....	.95 to 1.20
Horseshoers.....	.76 to .83
Blacksmiths.....	.76 to .83
Iron molders.....	.95
Pattern makers.....	1.43 to 1.67
Cotton weavers.....	.64
Woolen weavers.....	.40 to .64
Street laborers.....	.59 to .71
Sewer workers.....	.48
Kettle-men in breweries.....	1.00

EXHIBIT V.

Building trades wages, Philadelphia, union rates.

	1890	1911
Carpenters.....	\$2.00	\$4.00
Bricklayers.....	3.53	5.00
Stonemasons.....	3.28	4.00
Plasterers.....	3.50	5.00
Stonecutters.....	3.25	4.00
Sheet-metal workers, 1887.....	1.71	3.00
Plumbers, 1890.....	3.00	3.50
Painters, 1890.....	2.68	3.20
Roofers, 1887.....	1.65	3.00
Marble-cutters, 1890.....	3.00	4.00

The former rates (1890) were based on 9 hours a day and sometimes 10 constituting a day's work. The latter (1911) are for 8 hours.

EXHIBIT VI.

SUMMARIZED STATEMENT BY LONDON TIMES OF BRITISH BOARD OF TRADE
REPORT ON COMPARATIVE WAGE AND LIVING CONDITIONS.

There has just been issued by the board of trade an exhaustive report upon an inquiry made regarding rents and the prices of the necessities of life and the rates of wages prevailing in the principal industrial towns of the United States. The report itself is prefaced by a summary by Mr. G. R. Askwith, in which it is pointed out that in the towns investigated the rent levels vary greatly, but the New York level on the whole exceeds that of the other towns to a far less extent than the London level exceeds that of the English provincial towns. It appears that the ratio of weekly wages for certain occupations in the United States and England and Wales, respectively, is 243 to 100 in the building trades, 213 to 100 in the engineering trades, 246 to 100 in the printing trades, and 232 to 100 in all the trades together. Allowing for a slight advance in wages in England between October, 1905, when the English figures were taken, and February, 1909, when the American figures were taken, the ratio is reduced to 230 to 100.

The weekly hours of labor were found to be 11 per cent shorter in the building trades in the United States than in England and Wales, and 7 per cent shorter in the printing trades, but 6 per cent longer in the engineering trades, the ratio in all occupations being 96 to 100.

As regards rents, the American workman pays on the whole a little more than twice as much as the English workman for the same amount of house accommodation, the actual ratio being 207 to 100, the minimum of the predominant range of rents for the United States towns as a whole exceeding by from 50 to 77 per cent the maximum of the range for towns in England and Wales for dwellings containing the same number of rooms.

EXHIBIT VII.

EXTRACTS FROM LETTERS OF SAMUEL GOMPERS, PRESIDENT OF THE AMERICAN FEDERATION OF LABOR, REFERRING TO HOUSING CONDITIONS ABROAD.

The housing of the wageworkers of the various European countries as compared with that of the same class in America would, in order to bring out the full truth, require a long and faithful study. When the facts were ascertained the real point remaining would be how to present them in order to create an exact impression of the truth. Besides, in making comparisons, a difficulty would be in fixing an American standard. Conditions exist in a few American cities, such as New York and Pittsburgh, representing neither European nor American standards, but what are created through the transition of the most helpless of our newly arrived immigrants from a state, perhaps, more miserable than that in which they lived in their native countries to a level equal to the financially lowest that is permanent among the American-born citizens. Looking at the housing problem wisely, the greatest fact in favor of America is space. The workingman in the country towns and in the cities smaller than those in which the foreign population is congested can rent or perhaps buy a separate home. In general, Europe does not give this opportunity. For example, Bremen is the only considerable city in Germany which has small single-family houses adapted to the needs of working people. Only the big tenement house, except in rare cases, is to be found in other cities. The wage earner in them is regarded as permanently a rent payer, an animal in a stall in a five, six, or seven story stable. No; not one animal in one stall—not so good as that—whole families or a herd of lodgers live in one of the stalls.

In no city in Europe did I find rents any cheaper, wages considered, than they run in Philadelphia, Baltimore, Louisville, or in the New England towns not having a boom, or even in many cities of the Mississippi Basin. What strikes the American is how little the European renting wage-worker gets for his money. Very seldom indeed has he a bit of garden; he takes a poor water service for granted; his rooms are fewer and smaller than is ordinarily the case of an American house. The rent payer is usually a rent payer for life. No institution of the proportion of the American building and loan association exists in any European country. The movement of large masses from the position of rent payers to that of householders has been characteristic of America. European philanthropists, statesmen, and cooperators are at the present time endeavoring to establish the necessary methods to bring about the same results.

The European working classes, however, neither hire servants nor buy articles of luxury except in rare cases. The struggle for a barely decent living is ever before them. Their necessary annual family "budget" comprises plain and cheap food, which, on the average, takes 40 to 65 per cent of the entire outlay, quarters in either an "industrial" or "slum" district requiring 20 to 35 per cent, and clothing 10 per cent or more. These percentages must be indefinite, depending as they do upon the size of the family, on earnings, and on climate, and even the government. Mentally contemplating the many cities I visited and, having in mind the conversations I had with workmen who had lived both in Europe and America, I believe I may assert that whether the cost of living in Europe or America is greater to the workingman depends entirely on the standard of living he adopts while in America. If he voluntarily lives the life of self-denial in this country that he compulsorily lived in his native land, his outlay of money will remain about the same. Even then he will hardly be able to escape gaining something from the superior supply of the good things in life in America.

If I am called on to name one of the good things which is conspicuous, I reply: "Our common schools for the workers' children," and as I write the words I hear again the enthusiastic sentiments on this point uttered in my presence by Italians, Bohemians, Austrians, and Irishmen. "To think," they say, "your country gives even the schoolbooks free." Living is cheap to the wageworker in Europe only because he does without what in America soon becomes a necessity to him—food in good quantity and quality, presentable clothes among his aspiring fellow workmen and their families, and a comfortably furnished home in quarters responding to his awakened desires for equality with his American neighbors, and in general a larger and freer life.

EXHIBIT VIII.

Estimates showing prices of American-made pure-wool cloths for men's suits, including tariffs, if cloths corresponding thereto were imported (referred to in foregoing speech):

On domestic cloths, at \$1 and under:	
Foreign value, 40 cents per yard; 3½ yards to man's suit.....	\$1.40
16-ounce cloth; specific duty (for wool), 3½ pounds, at 33 cents per pound.....	1.16
Ad valorem, 50 per cent on \$1.40 (manufacturer).....	.70
Expenses.....	.14
3½ yards domestic, at 97 cents.....	3.40

On domestic cloths, at \$1 and under—Continued.

14-ounce cloth, foreign value, 3½ yards.....	\$1.40
3½ yards, 49 ounces, specific duty, 3½ pounds, at 33 cents (wool).....	1.01
Ad valorem (manufacturer).....	.70
Expenses.....	.14
3½ yards domestic, at 93 cents.....	3.25
12-ounce cloth, 3½ yards; 42 ounces, or 2½ pounds; foreign value, 3½ yards.....	1.40
Specific duty, 2½ pounds, at 33 cents (wool).....	.87
Ad valorem (manufacturer).....	.70
Expenses.....	.13
3½ yards domestic, at 89 cents.....	3.10
On domestic cloth, like suit, \$2.25 per yard, at \$7.88 for suit:	
16-ounce foreign cloth, 3½ yards, at \$1.12 per yard.....	3.92
Specific duty, 3½ pounds, at 44 cents (wool).....	1.54
Foreign value, \$1.12; ad valorem, 55 per cent (manufacturer).....	2.16
Expenses.....	.26
	7.88
14-ounce cloth; foreign value, \$1.16 per yard.....	4.06
3½ yards, 49 ounces, or 3½ pounds; specific duty, 3½ pounds, at 44 cents (wool).....	1.35
Ad valorem, 55 per cent (manufacturer).....	2.23
Expenses.....	.24
	7.88
12-ounce cloth; foreign value, \$1.20 per yard (3½ yards).....	4.20
3½ yards, 42 ounces, or 2½ pounds; specific duty, 2½ pounds, at 44 cents (wool).....	1.16
Ad valorem, 55 per cent (manufacturer).....	2.31
Expenses.....	.21
	7.88

EXHIBIT IX.

HULTON DYEING & FINISHING CO. (INC.),
Philadelphia, June 13, 1911.

Hon. J. HAMPTON MOORE,

House of Representatives, Washington, D. C.

HONORABLE SIR: We beg to call your attention to the inclosed circular advertising coat and trousers for \$30. The cloth is attached to the circular, and it will take 3 yards to make this two-piece suit, at a cost of \$1.25 per yard, or a total cost of \$3.75 for the outside material. At the advertised price of \$30 who gets the rest?

We desire to draw your attention to the amount the dyer of the stock and the finisher of the cloth gets in this \$30 suit. The dyer receives 11 cents and the finisher 12 cents, these amounts to be deducted from the \$3.75 it takes to furnish material for this \$30 suit.

The writer feels that if your brother Congressmen would get better acquainted with these conditions they would not be long getting down to something stable and give us some standard to work from.

Yours, truly,

HULTON DYEING & FINISHING CO. (INC.),
JAMES HULTON, President.

Mr. UNDERWOOD. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. FLOYD of Arkansas, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 11019) to reduce the duties on wool and manufactures of wool, and had come to no resolution thereon.

ADJOURNMENT.

Then on motion of Mr. UNDERWOOD (at 5 o'clock and 50 minutes p. m.), the House adjourned until 12 o'clock noon tomorrow, Thursday, June 15, 1911.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. KALANIANAOLE: A bill (H. R. 11611) to authorize the Territory of Hawaii to guarantee the interest on railway construction bonds; to the Committee on the Territories.

Also, a bill (H. R. 11612) to establish a national park in the Territory of Hawaii; to the Committee on the Territories.

Also, a bill (H. R. 11613) to promote Caucasian immigration to the Territory of Hawaii; to the Committee on the Territories.

Also, a bill (H. R. 11614) for the establishment of a light-house on the island of Hawaii, Territory of Hawaii; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 11615) to provide a lighthouse depot at Honolulu, Territory of Hawaii; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 11616) providing aids to navigation in the Territory of Hawaii; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 11617) to provide for the construction of a revenue cutter for service in the Hawaiian Islands; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 11618) to amend the laws concerning passenger transportation between ports of the Territory of Hawaii and other ports of the United States; to the Committee on the Merchant Marine and Fisheries.

Also, a bill (H. R. 11619) to establish a fish-cultural and biological station in the Territory of Hawaii; to the Committee on the Merchant Marine and Fisheries.

By Mr. ANDERSON of Ohio: A bill (H. R. 11620) to provide for the purchase of a site and the erection of a monument to the memory of Col. William Crawford; to the Committee on the Library.

By Mr. SIMS: A bill (H. R. 11621) providing for the establishment of a system of local rural parcel post; to the Committee on the Post Office and Post Roads.

By Mr. COX of Indiana: Resolution (H. Res. 207) calling on the Postmaster General for information as to department's construction of certain postal laws; to the Committee on the Post Office and Post Roads.

By Mr. COVINGTON: Resolution (H. Res. 208) directing the Secretary of War to transmit certain records in the War Department to the House of Representatives; to the Committee on Military Affairs.

By Mr. COOPER: Memorial from the Legislature of Wisconsin in regard to passports issued by the United States Government; to the Committee on Foreign Affairs.

Also, memorial from the Legislature of Wisconsin relating to the sending into any State of money or campaign literature in violation of the corrupt practice law of that State; to the Committee on Election of President, Vice President, and Representatives in Congress.

Also, memorial from the Legislature of Wisconsin relating to the Sherman antitrust law; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADAIR: A bill (H. R. 11622) granting an increase of pension to George R. Dickerson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11623) granting an increase of pension to Thomas W. Botkin; to the Committee on Invalid Pensions.

By Mr. ANDERSON of Ohio: A bill (H. R. 11624) granting an increase of pension to William N. Thorn; to the Committee on Invalid Pensions.

By Mr. CLINE: A bill (H. R. 11625) for the relief of Milton Thompson; to the Committee on Claims.

By Mr. FLOYD of Arkansas: A bill (H. R. 11626) granting an increase of pension to William Tyler; to the Committee on Invalid Pensions.

By Mr. KALANIANA'OLE: A bill (H. R. 11627) to correct the military record of Barkley S. Denison; to the Committee on Military Affairs.

Also, a bill (H. R. 11628) authorizing John T. McCrosson and associates to construct an irrigation ditch on the island of Hawaii, Territory of Hawaii; to the Committee on the Territories.

By Mr. KOPP: A bill (H. R. 11629) granting an increase of pension to Perry Walker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11630) granting an increase of pension to Ambrose Jones; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11631) granting an increase of pension to Newton Turner; to the Committee on Invalid Pensions.

By Mr. O'SHAUNESSY: A bill (H. R. 11632) granting an increase of pension to John Holland; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11633) granting an increase of pension to George L. Keach; to the Committee on Invalid Pensions.

By Mr. PALMER: A bill (H. R. 11634) granting an increase of pension to George Setzer; to the Committee on Invalid Pensions.

By Mr. SELLS: A bill (H. R. 11635) granting a pension to John W. McMahan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11636) granting a pension to Thomas C. Crow; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11637) granting a pension to Barneybass Eastridge; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11638) granting a pension to William P. Barlow; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11639) for the relief of William H. Taylor; to the Committee on Military Affairs.

Also, a bill (H. R. 11640) for the relief of Jesse Ferguson; to the Committee on Military Affairs.

Also, a bill (H. R. 11641) for the relief of Henry Smith; to the Committee on Military Affairs.

Also, a bill (H. R. 11642) for the relief of the widow of William M. Henry; to the Committee on War Claims.

By Mr. STEENERSON: A bill (H. R. 11643) granting an increase of pension to Charles H. Sikes; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11644) granting an increase of pension to Walter E. Truax; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11645) granting an increase of pension to Perry Powers; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11646) granting an increase of pension to George W. Weller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11647) granting an increase of pension to Phineas P. Stewart; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11648) granting an increase of pension to J. H. Van Nett; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11649) granting an increase of pension to John Deforge; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11650) granting a pension to Lewis Weatherhead; to the Committee on Invalid Pensions.

By Mr. STEPHENS of Texas: A bill (H. R. 11651) for the relief of William W. Danenhower; to the Committee on the District of Columbia.

By Mr. WILSON of New York: A bill (H. R. 11652) for the relief of Peter Kemmer; to the Committee on Military Affairs.

Also, a bill (H. R. 11653) granting a pension to Jane A. Kirby; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. AYRES: Petitions of citizens of the Bronx and of New York City, in favor of the parcels post; to the Committee on the Post Office and Post Roads.

By Mr. BROWN: Memorial of Local No. 37, of Rio, W. Va., urging upon Congress the enactment of the illiteracy test into law; to the Committee on Immigration and Naturalization.

By Mr. FITZGERALD: Resolution of the Chicago Clearing House Association, relative to proposed legislation affecting the cold-storage industry; to the Committee on Interstate and Foreign Commerce.

Also, resolutions of the Cleveland Chamber of Commerce, urging the amendment of the corporation-tax law to permit each corporation to make its return at the close of its fiscal year; to the Committee on the Judiciary.

Also, resolutions adopted by the annual convention of the Workmen's Sick and Death Benefit Fund of the United States of America at New York City, favoring Mr. BERGER's resolution for an investigation of the McNamara affair; to the Committee on Rules.

Also, resolutions of the New York State Pharmaceutical Association, opposing House bill 8887, introduced by Mr. SHERLEY; to the Committee on Ways and Means.

By Mr. FLOYD of Arkansas: Papers to accompany bill for the relief of William Tyler; to the Committee on Invalid Pensions.

By Mr. HARRISON of New York: Petitions of Edward J. Tweak, Harry Rush, William P. McKenna, James Keating, William Weisner, P. F. McGovern, Frank J. McGuire, Thomas S. Morar, William Reis, H. Laberde, A. Beelemin, James A. Dempsey, Hugh McGuire, Charles H. Minder, E. J. Gorman, James Lyman, and numerous others, of New York City; W. P. Andelfinger, of Oswego, N. Y.; and H. S. Thompson, of Newark, N. J., all praying for the repeal of duty on lemons; to the Committee on Ways and Means.

By Mr. McDERMOTT: Petition of Illinois Manufacturers' Association, to amend the corporation-tax law; to the Committee on the Judiciary.

By Mr. O'SHAUNESSY: Resolution by the Woman's Christian Temperance Unions of Providence, R. I., urging the passage of a general arbitration treaty, without reserve, with Great Britain and other countries; to the Committee on Foreign Affairs.

By Mr. STEENERSON: Petition of O. Dalby and others, of Greenbush, Minn., asking for a reduction in the duty on raw and refined sugars; to the Committee on Ways and Means.

Also, petition of E. O. Erickson, Ole E. Dahle, Ole C. Slittevold, and 82 others, citizens of Polk, Red Lake, Pennington, and Clearwater Counties, Minn., in objection to the grant of 300,000 acres of Government land to the Archbishop of Santa Fe, N. Mex.; to the Committee on the Territories.

By Mr. UNDERHILL: Petition of H. Planten & Son, Brooklyn, N. Y., in opposition to House bill 8887; to the Committee on Ways and Means.

Also, petition of J. F. Marshall and others, of Waterloo, N. Y., asking for a reduction in the duty on sugar; to the Committee on Ways and Means.